



Daily Report

East Asia

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Japan

Agreement With U.S. To Free Financial Markets

OW1510115693 Tokyo KYODO in English 1137 GMT
15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—Japan and the United States agreed Friday [15 October] to work out a framework by July next year to improve access to each other's financial services market. A report to be compiled will spell out specific market-opening criteria shown in "qualitative terms," Eisuke Sakakibara, head of the Japanese delegation, said.

The criteria will not represent any targets or goals that would bind Japan in the financial services sector, Sakakibara told a press conference. Based on the criteria, both parties will "assess the performance or implementation" of measures to be agreed under the report, he said.

Sakakibara noted the policy is consistent with an agreement in a joint communique released after a July meeting between then Japanese Prime Minister Kiichi Miyazawa and U.S. President Bill Clinton.

The communique said the two countries will introduce "sets of objective criteria, either quantitative or qualitative or both as appropriate," in trade talks. The extent of openness in financial services sectors would be clearer when gauged in "qualitative terms," Sakakibara said.

The two-day financial services talks in Tokyo as part of a bilateral trade framework focused on presentation by each party of "point-of-interest areas." The working-level discussions were held in "a very friendly atmosphere," he said.

The U.S. side demanded Tokyo enhance foreign investment advisers' access to pension fund and investment trust markets and ease regulations in such areas as corporate bond underwriting and cross-border transactions. Japan was also asked to expand the portion of 10-year government bonds auctioned from the existing 60 percent.

The Japanese delegation requested the relaxing of regulations on foreign banking operations in the U.S. that would allow the sale of foreign investment trusts and simplification of financial rules that vary from one state to another.

The U.S. team said Federal Reserve Board licensing procedures would be speeded up by the end of this year and efforts are being made to ease state-by-state regulations. Both parties will meet again possibly in November or December to coordinate views ahead of a meeting between Clinton and Japanese Prime Minister Morihiro Hosokawa, Sakakibara said.

Telecommunication Talks With U.S. Reported

OW1410135793 Tokyo KYODO in English 1331 GMT
14 Oct 93

[Text] Tokyo, Oct. 14 KYODO—U.S. trade negotiators called on Japan to boost government purchases of foreign telecommunications equipment and set "objective criteria" to measure progress in opening its market, informed sources said Thursday [14 October].

The U.S. officials made the request in a meeting with their Japanese counterparts as part of so-called "framework" talks aimed at establishing a new economic pact between the two countries, the sources said.

Japanese officials did not provide details of what "the objective criteria" are but they said U.S. negotiators said the U.S. share of Japan's telecommunications market for government procurement is low because the market is shut.

Shrugging off the U.S. complaints, the Japanese side cited statistics from the General Agreement on Tariffs and Trade which show the foreign share in the U.S. telecommunications equipment market is lower than that in Japan's, the sources said.

According to the GATT figures, the foreign share in the U.S. market is 0.3 percent against 1.6 percent for the foreign share in Japan.

According to the informed sources, Washington wants Tokyo to raise the ratio of foreign goods in government procurement of telecommunications equipment to 20 percent or more as the U.S. share in the European market is 25 percent.

The U.S. negotiators were quoted as saying the U.S. share in the Japanese market currently stands at 5 percent.

They also demanded that technical specifications be used to invite bids for government procurement and bidding procedures be altered to ease foreign firms' access, the sources said.

Further on Joint Talks

OW1510110193 Tokyo KYODO in English 1029 GMT
15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—The United States urged Japan on Friday [15 October] to at least double the foreign share of its procurement of telecommunications equipment over the next three to four years. Taking the same tack as in other sectors in talks on a trade framework agreement, the U.S. said foreign telecommunications products account for only 5 percent of the Japanese Government's procurement compared with double-digit levels—11 to 38 percent—of foreign share in other leading industrial nations.

"We proposed measures to improve the Japanese Government procurement system," a senior U.S. official

said. "We expect these measures to bring Japan into line with other (Group of Seven) countries within the medium term" of three to four years.

The official, briefing reporters on condition of anonymity after two days of talks on the telecommunications sector, would not discuss details of a U.S. draft proposal or Japan's response. But the official said that as with the insurance sector, Washington will unilaterally set standards to measure progress in implementing any agreements if Tokyo does not agree on criteria.

Japan has maintained that "an illustrative set of criteria" under the framework talks, initiated in July, should not be binding.

In line with a more assertive public stance on the talks, the official repeated the U.S. position that although the talks are a "two-way dialogue," the U.S. market is not a subject of the negotiations, which aim at agreement by January or February.

The official cited "sole-sourcing" practices and "overly restrictive" contract specifications as part of the market access problems causing "serious imbalances" in Japanese Government procurement of telecommunications.

Official on Mondale's Meeting With Takemura

OW1510111493 Tokyo KYODO in English 1046 GMT 15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—U.S. Ambassador to Japan Walter Mondale said Friday [15 October] the United States and Japan should pursue "high-level management" of their relations to realize common objectives, a Foreign Ministry official said.

In a meeting with Chief Cabinet Secretary Masayoshi Takemura, Mondale said President Bill Clinton and Prime Minister Morihiro Hosokawa must choose a future course of bilateral ties from a broad and long-term standpoint, the official said. The former U.S. vice president reportedly said both Clinton and U.S. Secretary of State Warren Christopher urged him to pursue such action before he assumed the Tokyo post. The U.S. ambassador also called for frequent and close contacts between himself and Takemura, the top government spokesman.

In the 40-minute talk at the premier's official residence, Takemura expressed his willingness to keep in close touch with Mondale, the official said.

Congratulating Mondale's role in leading summit talks between Hosokawa and Clinton in New York late last month, the chief cabinet secretary sought the U.S. ambassador's cooperation in serving as a pipeline between the two leaders, the official said.

Mondale reportedly lauded Russian President Boris Yeltsin's visit to Japan earlier this week as a resounding success. Takemura replied the premier was satisfied with

the realization and outcome of the presidential visit despite the uncertain Russian situation, the official said.

Construction Minister on Avoiding U.S. Sanctions

OW1510040593 Tokyo KYODO in English 0348 GMT 15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—Japan will make a counterproposal to the United States later this month to avert trade sanctions it has threatened to impose over a public works bidding dispute, Construction Minister Kozo Igarashi indicated Friday [15 October]. The U.S. has warned that it will impose sanctions on Tokyo if no agreement is reached by November 1 in the dispute regarding bidding for public works contracts in Japan.

Igarashi told reporters that the government is making serious studies on major U.S. demands in the dispute and intends to come up with a proposal within this month to obtain U.S. understanding.

Earlier Friday, Chief Cabinet Secretary Masayoshi Takemura asked Igarashi to come up with a counterproposal soon to avert U.S. trade sanctions, government officials said. They said Takemura suggested that a Construction Ministry advisory council, the Central Council on Construction Contracting Business, make interim recommendations on ways of improving Japan's public works bidding system.

Takemura expressed concern over a delay in the council proceedings, the officials said. The U.S. wants Japan to adopt an open bidding system and abolish a newly introduced "ranking" system, which it says effectively blocks foreign companies from the Japanese construction market.

Government Voices Concern Over Haiti Situation

OW1510083193 Tokyo KYODO in English 0811 GMT 15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—Japan on Friday [15 October] voiced concern over the deteriorating situation in Haiti, where the Haitian justice minister was assassinated and members of the U.N. Mission to Haiti (UNMIH) were prevented from entering the country.

"It is indeed regrettable that the recent events interrupted the process of restoring democracy in Haiti which had been promoted in accordance with the Governors Island Agreement of July this year," the Foreign Ministry said in a statement.

Japan requests the "military authorities responsible for maintaining security in Haiti to comply in good faith" with the agreement and hopes democratic order will be restored as soon as possible, the statement said.

The Japanese Government will take necessary steps to reimpose the punitive measures in accordance with U.N. Security Council Resolution 873 which was adopted Wednesday, it said.

The Security Council voted to reimpose economic sanctions on Haiti after port workers opposed to President Jean-Bertrand Aristide refused to let a U.S. military ship dock and unload U.N. personnel and equipment. The oil and arms embargo will take effect unless Haitian authorities allow a U.N. peace plan to go forward by Monday. Aristide, now living in exile, was overthrown by the military in September 1991.

Haitian Justice Minister Guy Malary, who belonged to the transitional government preparing for the return of Aristide, was shot dead in Port-au-Prince on Thursday.

Since the coup d'etat September 30, 1991, Japan has consistently supported the restoration of a democratic order and has also actively cooperated with international assistance for Haiti, the statement said.

Japan immediately suspended economic aid to Haiti after the coup but offered some limited humanitarian aid for nongovernmental organizations operating in Haiti, Foreign Ministry spokesman Terusuke Terada said.

Terada said Japan offered small-scale grant aid amounting to 40,000 dollars in February and June this year, and as much as 2.5 million dollars to the United Nations this April to help international civilian operations there.

Tokyo also indicated last month its willingness to offer 10 million dollars to help the Haitian Government's debt owed to international financial organizations such as the World Bank and the International Monetary Fund (IMF), he said.

Foreign Minister Attends Cambodia Conference

*OW1210032793 Tokyo KYODO in English 0234 GMT
12 Oct 93*

[Text] Tokyo, Oct. 12 KYODO—Foreign Minister Tsutomu Hata on Tuesday [12 October] opened a two-day international meeting concerned with preserving Cambodia's majestic Angkor Wat temple complex, saying the protection of cultural treasures will lead to better international understanding.

"Though our cultures may be diverse, to protect humankind's common treasure can only lead to better understanding and trust," Hata told Cambodian Princess Norodom Bophadevi and delegates from 30 nations and seven international organizations.

Parliamentary Vice Foreign Minister Syozo Azuma, co-chairman of the meeting, said assistance in restoring the 9th-13th century monuments will bolster the national pride of the Cambodian people.

Azuma said that Japan would provide 10 million dollars over the next two years for three restoration projects. The fresh funds supplement 1.37 million dollars Tokyo supplied earlier.

Azuma also urged other participants to pledge support.

French co-chairman Serge Baidevaix, administrative vice foreign minister, said the relics left behind by ancient Khmer kings will provide an important source of income from tourism.

In an opening statement, Van Molyvann, Cambodian minister of state and president of the Superior Commission of National Culture, called on the international community to help train Cambodians in preservation techniques so they can safeguard the Buddhist and Hindu monuments without outside help.

Worn down over the centuries by weather and jungle conditions, and more recently by war, the latest threat to the complex has been illicit trade in statues and sculptures.

Slovenian Vice Premier Seeks Economic Aid

*OW1410114993 Tokyo KYODO in English 1036 GMT
14 Oct 93*

[Text] Tokyo, Oct. 14 KYODO—Republic of Slovenia Deputy Prime Minister Davorin Kracun on Thursday [14 October] called for Japanese assistance in promoting economic development, Foreign Ministry officials said.

Kracun told foreign minister Tsutomu Hata in a 30-minute meeting that Slovenia wants to promote ties with Japan, especially in the economic field, the officials said.

Kracun, who is also minister of economic relations and development, said Slovenia has been steadily developing its economy without being involved in disputes in former Yugoslavia and urged Japanese assistance to further develop its economy.

Hata told Kracun that Japan highly values Slovenia's success in democratizing and shifting toward a market-oriented economy, they said.

He said Japan has already begun providing technological cooperation with Slovenia but added it is ready to extend further aid, they said.

Hata was also quoted as saying Japan will consider Slovenia's requests to conclude treaties to safeguard investment and to prevent dual taxation.

Appeal for Timor Rights on Eve of Soares Visit

*OW1510114893 Tokyo KYODO in English 0948 GMT
15 Oct 93*

[Text] Tokyo, Oct. 15 KYODO—A group of 12 parliamentarians asked the administration of Prime Minister Morihiro Hosokawa on Friday [15 October] to throw its weight behind Portugal's call for defense of human rights in its former colony of East Timor, now under Indonesian rule. The appeal by the group of legislators from seven parties and two parliamentary groups came only three days before Portuguese President Mario Soares is to fly to Japan for his 10-day official visit beginning Monday.

Five representatives from the group conveyed their appeal at the prime minister's official residence, where they discussed the issue with Deputy Chief Cabinet Secretary Yukio Hatoyama. The group includes Science and Technology Agency Director General Satsuki Eda.

The appeal calls for expressing Japanese readiness to urge Jakarta to put less restrictions on foreign doctors and human rights groups who enter East Timor, back a Portuguese call to allow the people of East Timor to call a referendum on independence and support Portugal's position in ministerial-level talks under the United Nations.

The Japanese parliamentarians are from seven parties—Shinseito [Japan Renewal Party], the Liberal Democratic Party, the Japan New Party, the Social Democratic Party, Sakigake [Harbinger], Komeito and the Democratic Socialist Party.

Foreign Ministry officials and Portuguese Embassy officials said earlier they expect Soares to raise the issue of human rights of East Timorese residents as well as the issue of self-determination for the islanders. The United Nations still recognizes Portugal as the legitimate administering power for East Timor.

Mitsui Sells Oil Drilling Equipment to Russia

OW1510094693 Tokyo KYODO in English 0927 GMT 15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—Japanese trading giant Mitsui and Co. said Friday [15 October] it has reached a basic agreement to supply oil drilling equipment to a Russian oil company to replace obsolete equipment. Mitsui said a 700 million dollar contract to supply pumps, cables and other equipment for installation at three oil fields in western Siberia will be concluded with the Moscow-based Lukoil, Russia's largest oil company. It said the Japanese Government is expected to support the deal by applying trade insurance to the contract.

Russian officials traveling with President Boris Yeltsin during his Tokyo visit earlier this week, asked the Japanese Government for help in the deal.

Mitsui said Lukoil will remit revenue from its oil exports to Mitsui on a deferred payment basis after receiving Russian Government approval on the payment formula.

Lukoil, created last April from a merger and privatization of three oil fields, has an annual crude oil production capacity of 60 million tons, Mitsui said. Lukoil also acts as an oil refiner and distributor.

The two companies signed another tie-up agreement Wednesday under which they will soon start feasibility studies on a joint project to build major oil refining facilities on the Black Sea coast, Mitsui officials said.

Taiwanese Sentenced for Immigrant Smuggling

OW1310043593 Tokyo KYODO in English 0417 GMT 13 Oct 93

[Text] Kushiro, Hokkaido, Oct. 13 KYODO—The Kushiro District Court on Wednesday [13 October] sentenced a Taiwanese to 16 months in prison for his part in the smuggling of some 100 Chinese to Japan's northernmost main island of Hokkaido in June.

Yang Yen-teng, 41, a company employee from Taiwan's Kao-hsiung, was found guilty of helping the Chinese enter Japan illegally through Akkeshi port.

In his ruling, Judge Kenji Maki said Yang had played a key role as a liaison between Japanese crime syndicate members and a clandestine organization in Taiwan engaged in smuggling Chinese into Japan.

Prosecutors had demanded an 18-month imprisonment.

Yukio Yamauchi, 46, the head of a Hokkaido crime syndicate affiliated to the major yakuza gang Sumiyoshikai, is undergoing a separate trial at the Kushiro District Court in connection with the same case.

Japanese police, meanwhile, have put a Chinese suspected of being leader of the smuggling group on the international wanted list.

Tokyo, Ottawa To Conclude Governmental Air Accord

OW1210044493 Tokyo KYODO in English 0432 GMT 12 Oct 93

[Text] Tokyo, Oct. 12 KYODO—Japan and Canada have agreed to shift bilateral aviation talks from inter-airlines to the governmental level beginning next April, the Transport Ministry said Tuesday [12 October].

The ministry said flight routes and frequencies between the two countries will be set at the next round of negotiations.

Japan Airlines and Canadian Airlines have arranged for air service between the two countries since 1978 because of low traffic demand, the ministry said.

It said the two countries agreed to conclude a governmental aviation accord because demand for air traffic has increased.

A second Canadian airline also wanted to inaugurate service to Japan, the ministry said.

Hosokawa Denies Reported Lifting of Rice Ban

OW1510005193 Tokyo KYODO in English 0027 GMT 15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—Prime Minister Morihiro Hosokawa on Friday [15 October] denied news

reports that Japan and the United States are approaching an agreement to open Japan's highly protected rice market.

"It is absolutely untrue. Our stance has not changed," Hosokawa told reporters.

His denial came after the NIHON KEIZAI SHIMBUN quoted a U.S. Government official as saying that the two countries have come close to agreement on a proposal to convert the ban with tariffs after a six-year transitional period, during which it will import 3-5 percent of the domestic demand.

Senior farm trade negotiators from both countries have been discussing the proposal in Geneva and bilateral negotiations are already in the final stage, the major economic daily reported.

Japan has previously banned imports of foreign rice to protect domestic producers and ensure self-sufficiency in the nation's staple grain. Worried about provoking the politically powerful farming lobby, Tokyo has rejected both the "tariffication" scheme and the "minimum access" proposal, tabled by former Director General of the General Agreement on Tariffs and Trade, Arthur Dunkel, in December 1991.

The Japanese rice policy has been criticized as one of the major stumbling blocks to the long overdue negotiations, along with the farm dispute between the U.S. and the European Community.

Farm Minister Also Denies Reports

*OW1510053593 Tokyo KYODO in English 0447 GMT
15 Oct 93*

[Text] Tokyo, Oct. 15 KYODO—Japan's Farm Minister Eijiro Hata on Friday [15 October] denied a series of news reports that Tokyo has reversed its long-standing policy and finally agreed to allow imports of foreign rice.

Hata, minister of agriculture, forestry and fisheries, also proposed to other cabinet members after their regular meeting that the government buy more foreign rice in addition to that already announced to make up for the shortfall in domestic supplies, government officials said. He also suggested asking Australia to grow rice for Japanese consumers for the same purpose, they said.

Hata told the cabinet that it is "absolutely impossible" for Japan to accept a proposal to replace its rice ban with tariffs, according to the officials. He suspected "intentional leaks" to the press from some sources, they said.

Several papers in Japan and abroad, including the vernacular daily MAINICHI SHIMBUN, reported that secret talks between senior U.S. and Japanese officials have produced a rice deal which they said will also grant Japan a six-year moratorium during which it will import 3-5 percent of its domestic consumption.

Hata said he will remind Peter Sutherland, director general of the General Agreement on Tariffs and Trade

(GATT), who is scheduled to visit Tokyo next week, that Japan will not change its traditional policy of being self-sufficient in the staple grain. Japan has been under increasing pressure to lift its ban on rice imports to help spur the stalled Uruguay Round of global trade talks, in which disputes over farm trade reforms are the biggest stumbling block.

Along with a few other rice-consuming nations, Japan has rejected the tariffication proposal, originally put forward by former GATT chief Arthur Dunkel and widely favored among other participants in the talks.

Due to this year's poor rice harvest, Hata said it is "inevitable" that Japan will buy more foreign rice as the supply-demand balance is expected to tighten next summer even with emergency imports already announced.

"We should decide on imports early and start negotiations with exporting countries," he told other cabinet members.

In the face of the worst harvest since the end of the World War II because of rainy and cool summer, the government announced last month it would import 200,000 tons of rice for processing by the end of the year. No decision has yet to be made, however, on rice for daily consumption.

Chief Cabinet Secretary Masayoshi Takemura supported Hata's proposal, telling a post-cabinet press conference that the idea reflects the entire government's feeling.

"It is important to assure the people that rice is in steady supply," he said.

Hata also said his other proposal for commissioned rice production in Australia is aimed at ensuring stable supplies of rice for the nation and curbing rising prices of rice on international markets.

SDPJ Warns Against Unilateral Move on Rice

*OW1510080593 Tokyo KYODO in English 0748 GMT
15 Oct 93*

[Text] Tokyo, Oct. 15 KYODO—A top Social Democratic Party (SDP) [of Japan, SDPJ] official Friday [15 October] warned Prime Minister Morihiro Hosokawa's government against taking unilateral action to approve a proposal to replace Japan's rice imports ban with tariffs. The official, speaking on condition of anonymity, cautioned that the Hosokawa government would run the risk of collapsing if it unilaterally proceeds to endorse such a proposal. The SDP is the largest party in Hosokawa's seven-party coalition government.

Further on Official's Remarks

*OW1510120993 Tokyo KYODO in English 1135 GMT
15 Oct 93*

[Text] Tokyo, Oct. 15 KYODO—A top Social Democratic Party (SDP) [of Japan, SDPJ] official warned

Friday [15 October] that Prime Minister Morihiro Hosokawa risks undermining the governing coalition if he unilaterally endorses a proposal to replace Japan's rice import ban with tariffs. The official, speaking on condition of anonymity, said such a move would run counter to a prior agreement among the coalition parties to oppose liberalization of Japan's rice market.

He sounded the warning following indications that Hosokawa is exploring the idea of lifting the rice ban, as well as remarks by Shinseito [Japan Renewal Party] co-founder Ichiro Ozawa endorsing the principle of tariffication without exception. The warning shows that the viability of the coalition itself may depend on the stance the government takes on the rice issue amid pressure to facilitate an early and successful conclusion of the Uruguay Round of multilateral trade negotiations. The SDP is the largest party in Hosokawa's seven-party coalition government.

The official said any change in the coalition policy agreement would have to undergo proper procedures and would be subject to endorsement by the party leaders.

The remarks underlined the SDP's opposition to the government unilaterally striking a deal on the rice issue in diplomatic negotiations. The official said tariffication of rice would eventually lead to the liberalization of the rice market. He noted that not only are parties in the coalition opposed to any such development but also the opposition Liberal Democratic Party (LDP), which is the largest single party in the Diet.

Aside from the SDP, Komeito, the Democratic Socialist Party and the Sakigake are all in favor of Japan's "maintaining self-sufficiency in rice."

The Japan New Party of Prime Minister Hosokawa, which has previously favored "partial liberalization of the rice market," retracted that position earlier Friday and expressed "opposition to tariffication."

Japan and the United States are negotiating a proposal to replace Japan's effective ban on rice imports with tariffs after a six-year moratorium. But Japan's Farm Minister Eijiro Hata earlier Friday denied that Tokyo has reversed its longstanding policy.

Hata, minister of agriculture, forestry and fisheries, said he told the cabinet that it is "absolutely impossible" for Japan to accept a proposal to replace its rice ban with tariffs. He also said he will remind Peter Sutherland, director general of the General Agreement on Tariffs and Trade (GATT), who is scheduled to visit Tokyo next week, that Japan will not change its traditional policy of being self-sufficient in the staple grain.

Standard Rice Retail Prices To Rise

OW1510094493 Tokyo KYODO in English 0907 GMT 15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—The Food Agency said Friday [15 October] it will lift a ceiling on the lowest rice

retail price for the 1993 crop year, paving the way for local regulators and retailers to raise the price of standard rice. The decision was made against the backdrop of slow progress in government purchases of the 1993 rice crop from farmers, which could cause a shortage of standard rice, or those purchased by the government.

Under the current rules, the lowest rice retail price is set at 3,850 yen per 10 kilograms. But the agency, in an ordinance sent to local governments, said it will "allow the maximum price to exceed 3,850 yen for a period between November and February for the time being."

Rice wholesalers and retailers said the move would translate into a price hike of about 400 yen per 10 kilograms starting November 1.

"In some areas, the price hike could be around 800 yen," said a senior official at one rice wholesale company.

Under the Food Control Law, the government controls production and distribution of rice and used to buy all the rice crop but now purchases less than one-fifth and oversees the independent distribution of rice.

Fujii Seeks Smooth Disposal of Bad Bank Loans

OW1510054293 Tokyo KYODO in English 0450 GMT 15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—Finance Minister Hirohisa Fujii on Friday [15 October] reiterated a call for financial institutions to liquidate their nonperforming loans to help recover stability in Japan's financial system.

Fujii said steady disposal of bad assets is necessary for Japanese financial institutions, which are struggling with their internal reserves eroded under the lingering impact of the burst of the speculative "bubble" economy. Financial institutions should also make further streamlining efforts to build up reserves to be used to write off problem assets in the future, Fujii told an annual meeting of credit cooperatives. He said the Finance Ministry has asked financial institutions to take a more accommodative lending stance, particularly for smaller companies, while beefing up control on credit risks.

Fujii said the Japanese economy appears to have pulled out of the worst phase of recession, but the recent rapid appreciation of the yen and the wet and cool summer this year helped retard a full recovery.

Fujii said he is confident that the cumulative effects of the Bank of Japan's credit easing since the summer of 1991 and a series of pump-priming packages will combine to make a great contribution to shifting Japan to sustainable growth led by domestic demand.

Finance Minister on Condition of Recession

OW1510025193 Tokyo KYODO in English 0231 GMT
15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—The Japanese economy is unlikely to plunge into a double-dip recession despite a continued stall in recovery, Finance Minister Hirohisa Fujii said Friday [15 October]. The economy remains in the doldrums as seen in slack corporate capital spending, but brighter signs are emerging in public and housing investments, Fujii told a press conference.

The comment came after the release of the monthly economic report by the Economic Planning Agency (EPA), which continued to paint a bleak picture for the economy.

Fujii said the "difficult state" of the economy stems from two unexpected factors—the yen's rapid appreciation against the dollar, and the wet, cool summer. These factors helped to offset the effects of a series of pump-priming packages in the past, he added. The latest stimulus package worth 6.15 trillion yen, announced in September, and deregulatory measures are likely to produce intended results, Fujii said.

Fujii said that housing starts at the end of August were the highest except for boom periods in 1973 and 1988, and that public works projects budgeted for this year have been smoothly implemented. Production-related indicators are likely to have risen in September, he said.

Fujii also denied reports that Japan will accept a tariffication scheme for opening its rice market, citing remarks made by Agriculture, Forestry and Fisheries Minister Eijiro Hata.

Hata flatly denied the story at the day's cabinet meeting, Fujii said.

Economic Planning Agency Says Slump Continuing

OW1510004793 Tokyo KYODO in English 2345 GMT
14 Oct 93

[Text] Tokyo, Oct. 15 KYODO—Japan's economy is still in a slump and is not recovering because of the long rainy season and cold summer weather, the Economic Planning Agency (EPA) said in its monthly report Friday [15 October].

The EPA described the current state of the economy in more pessimistic terms than it did last month, taking account of the yen's sharp appreciation in value against the U.S. dollar and the unusual weather in August. An EPA official said, however, "we have no intention to change the view that the economy will not deteriorate any further."

The official noted the economic stalemate has been prolonged because of slow personal spending and poor sales of items such as air conditioners. The inventory

index for industrial products advanced to 121.6 in August from 119.6 in July and 118.0 in June.

"Although the inventories of unsold goods fell in March and April, they expanded in August due to the unusual weather," the official said.

On the consumption front, sales of summer clothes and other seasonal goods were down, with overall sales at department stores across the nation falling in August from a year earlier for the 18th consecutive month of year-on-year declines.

Corporations also continued to refrain from active investment, with their planned capital spending for the current and next fiscal years much more conservative than in previous years.

Job prospects are also bleak as the ratio of job offers to job seekers dropped to 0.70 in August from 0.72 in July. The figure means that there are only 70 jobs for every 100 prospective workers. But the unemployment rate stayed at 2.5 percent in August, the same as in July and June, the EPA official said.

In contrast, housing starts rose in August to an annualized rate of 1.61 million units from 1.49 million in July. The housing industry benefited from falling interest rates.

EPA Chief Says Economy's Health Deteriorating

OW1510033093 Tokyo KYODO in English 0318 GMT
15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—Japan's chief economic planner said Friday [15 October] the state of the Japanese economy has deteriorated further despite sporadic signs of recovery in some sectors. Manae Kubota, director general of the Economic Planning Agency (EPA), told a press conference that the description in the agency's latest economic diagnosis published earlier in the day means that the economic state is worse than it was a month earlier.

The monthly EPA report said Japan's economy remains depressed across the board, dampened by the long rainy season and cold summer as well as the yen's appreciation. Kubota noted a few bright spots of the economy, however, such as brisk public works and the housing sector.

"They are a ray of light at dawn and I hope this will spread to other sectors," she said.

Business Group Asks for More Pump-Priming

OW1310082093 Tokyo KYODO in English 0750 GMT
13 Oct 93

[Text] Tokyo, Oct. 13 KYODO—A business group Wednesday [13 October] urged Prime Minister Morihiro Hosokawa to take sweeping economy-spurring measures to help the nation's small and medium-size enterprises.

Leaders of the Central Federation of Societies of Commerce and Industry made the pitch at the premier's official residence.

"Because of the protracted economic slump in Japan, the management of small and medium-size businesses are in extreme trouble," the group said in a statement handed over to the premier.

"Sweeping pump-priming measures featuring large-scale income tax cuts and expansion of public works projects are therefore urgently needed to overcome the sluggish economy," it said.

Currently, Japan is struggling to bring itself out one of the worst economic slumps since World War II.

Hosokawa, who has unveiled a 6.2 trillion yen package of economic stimulus measures, expressed concern last week over the domestic economy, saying its present condition is worse than a month ago.

Businesses Urge Extra Measures To Spur Economy

OW1410063393 Tokyo KYODO in English 0412 GMT 14 Oct 93

[Text] Tokyo, Oct. 14 KYODO—The nation's smaller businesses urged Thursday [14 October] for further pump-priming measures, including an income tax cut, to be implemented to help revive the long-faltering economy, Trade Ministry officials said.

Executives of four business groups of small- and medium-sized companies, such as the Japan Chamber of Commerce and Industry, and the Central Federation of Societies of Commerce and Industry, made the request during a morning meeting with International Trade and Industry Minister Hiroshi Kumagai, the officials said.

The groups called for prompt implementation of the latest emergency economic stimulus package announced in September and early compilation of a supplementary budget, they said.

Kumagai was quoted as replying, "The emergency package was a first step. We (the government) will work out medium- and long-term, fundamental measures by year-end."

Meanwhile, the business executives expressed opposition to a consumption tax hike, which the government says would provide the resources necessary for an income tax cut, claiming they cannot pass on the tax to consumers, the officials said.

The groups also opposed a review of current preferential measures for smaller companies in filing consumption tax returns, they said.

Kumagai replied that the issue is now under discussion by the tax commission and will eventually be left to Prime Minister Morihiro Hosokawa's judgment, they said.

Before the final decision is made, however, the government will discuss the subject thoroughly, taking into account the views and opinions of smaller firms, they quoted Kumagai as saying.

The groups also expressed concern over a government move to institute a product liability law, citing a possible great harm they could suffer if [it] is introduced, and urged careful deliberations on the issue, they said.

Kumagai called on the groups to understand that the introduction of such legislation is unavoidable for Japan when the situation is considered within an international context, they said.

Kumagai said that the government has kept the concerns of smaller companies in mind when studying the issue.

Bank Chief Sees No 'Clear' Sign of Recovery

OW1410083695 Tokyo KYODO in English 0552 GMT 14 Oct 93

[Text] Tokyo, Oct. 14 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno repeated Thursday [14 October] the Japanese economy has yet to show a "clear" sign of recovery.

Mieno, delivering his speech to an annual meeting of the Regional Banks Association of Japan, said public and housing investments are on the rise but corporate capital spending and personal consumption are still slack, leaving final demand generally in the doldrums.

Manufacturing activity picked up temporarily but quickly relapsed, leaving little room for increased demand for labor, he said.

Mieno said business confidence appears "more cautious" under the impact of the strong yen and worsened earnings performance.

The central bank expects its latest credit-easing and a series of economic stimulus packages to help the economy shift to sustainable growth without inflation, the governor said.

The BOJ cut its official discount rate by 0.75 percentage point to a new record low of 1.75 percent per annum in September.

Thanks to the easier credit, money market rates dropped further while banks reduced their short- and long-term prime rates, he noted.

Mieno said banks appear more willing to lend than in the recent past, but their grip is still tight compared with the period of the bubble economy, reflecting wariness about a possible renewed rise in nonperforming loans.

Banks' efforts to liquidate problem loans are producing the intended results, but they should restructure their overall asset positions not only by disposing of bad assets but through increasing "good assets" as well, Mieno said.

On the price front, Mieno said wholesale prices continue to ease while consumer prices are generally stable.

The yen-dollar exchange rate is also following a stable course, he said.

Increasing Finance Firm Competition Proposed

*OW1210094493 Tokyo KYODO in English 0743 GMT
12 Oct 93*

[Text] Tokyo, Oct. 12 KYODO—A government advisory panel proposed Tuesday [12 October] establishing a system to increase competition among financial institutions while minimizing possible risks facing them.

Reform should be done in a way that would enhance competition "effectively and adequately," said Ryuichiro Tachi, head of the panel in charge of studying basic problems involved in financial liberalization in Japan.

Tachi told a news conference after the first meeting of the panel that the continuing financial liberalization is likely to make things more convenient for consumers by intensifying competition, but it will also expose many financial institutions to economic risks.

The panel, which is under the Financial System Research Council, an advisory body to the finance minister, will discuss ways to ensure sound banking operations in Japan. This will include devising a check-and-control system for struggling financial institutions and an effective use of Deposit Insurance Corp. in case of bankruptcy, Tachi said.

But such risk control should not be excessive, Tachi said, as this might harm morale among financial institutions, a situation that "would rob the Japanese economy of its vitality."

The panel will meet twice a month, with its next session set for October 29. It has yet to decide on when to work out a final report.

The financial system reform law enacted on April 1 is designed to allow banks and securities houses to enter other's business turf through subsidiaries.

Keidanren Proposes Doubling Consumption Tax

*OW1310121293 Tokyo KYODO in English 1145 GMT
13 Oct 93*

[Text] Tokyo, Oct. 13 KYODO—A powerful business organization Wednesday [13 October] proposed major corporate and personal income tax cuts to be financed by "bridge" bonds coupled with a future raise in the consumption tax as part of tax reforms for fiscal 1994.

The Federation of Economic Organization (Keidanren) said its vice chairman, Hiroshi Saito, will submit the proposal formally Friday in testimony before a meeting of the government's tax commission.

The organization called on the government to issue medium-term bonds to raise funds to finance a large-scale income tax cut exceeding 5 trillion yen.

In order to avoid issuing deficit-financing national bonds, the consumption tax rate should be raised to 6.0 percent from the present 3.0 percent in fiscal 1996, which starts in April 1996, it said.

The organization said it is necessary for the government to lower the public's tax and social security burden ratio to less than 50 percent of the national income through overhauling the existing tax system.

It also called for an easing of the tax burden for middle-class wage earners through tax breaks for educational and housing expenditures and lowering taxes for part-time workers.

The organization said it is important to lower the corporate tax to stimulate capital investment.

Commission Chief Backs Calls for Tax Hike

*OW1210115393 Tokyo KYODO in English 1104 GMT
12 Oct 93*

[Text] Tokyo, Oct. 12 KYODO—The head of the government's tax commission on Tuesday [12 October] backed calls for a hike in the consumption tax as part of tax reform. Kan Kato also recommended reducing breaks granted for smaller companies under the consumption tax system as a way to ensure "fairness." But he dismissed the idea of raising the tax as a means to fund proposed income tax cuts.

Use of the proceeds from a higher consumption tax should not be limited to a single area, Kato said, noting the money could be used, for example, for welfare purposes in view of the rapid aging of Japanese society. Kato was speaking at a press conference after attending the eighth meeting of a commission subcommittee designed to discuss problems involved in Japan's overall tax system reform. He said no panelists opposed a raise in the consumption tax rate from the current 3 percent.

Kato criticized a much-publicized argument that a higher consumption tax would impose a heavier financial burden on less wealthy people like pensioners or handicapped.

"Any medicines have side effects," he said. "We should make a system to weaken the side effects," he said, noting that due to special benefits for lower-income groups, the tax's regressive ratio is not as high as some argue, even under the current system.

Whether the consumption tax hike would be uniform or confined to certain luxury goods needs to be studied further, Kato said. Many panelists proposed reducing windfall profits that accrue to smaller companies under the current simplified calculation system for the consumption tax, Kato said. He also said the majority of panelists favor a cut in minimum taxable sales for a

corporation from the current 30 million yen. These steps could increase "transparency" in the consumption tax, Kato said.

Former Minister Says Big Income Tax Cut Needed

OW1010040193 Tokyo KYODO in English 0309 GMT 10 Oct 93

[Text] Tokyo, Oct. 10 KYODO—Former Foreign Minister Michio Watanabe said Sunday [10 October] that a large-scale income tax cut of "about 10 trillion yen" is needed to revive Japan's sagging economy.

Speaking on a Sunday morning television program, the leader of the Liberal Democratic Party's main faction said income tax cuts "won't have any effect if they aren't in the region of 10 trillion yen." He echoed the sentiments of business leaders and others that the reduced government funds could be made up by an increase in the consumption tax, now at 3.0 percent. There have been calls to raise consumption tax to 10.0 percent.

"I will not say that it should be done at the same time (as the tax cuts.) if it is done gradually, I think it would be fine," he said. Watanabe suggested that he favors income tax reductions first.

Bureaucrats and economists have been calling for tax cuts as a short-term measure to jolt the economy out of the doldrums. Additional deregulatory policies are long-term steps to boost consumption.

Debates on Political Reform Bills Start in Diet

OW1310084693 Tokyo KYODO in English 0837 GMT 13 Oct 93

[Text] Tokyo, Oct. 13 KYODO—Deliberations on sets of political reform bills to clean up Japan's scandal-tainted politics presented separately by the coalition government and the opposition Liberal Democratic Party began on Wednesday [13 October] at a plenary session of the House of Representatives.

Home Affairs Minister Kanju Sato and Hiroshi Mitsuoka, chief of the LDP Political Reform Headquarters, explained the respective contents of the government and LDP bills.

The clearing of the government-sponsored bills through the Diet by the end of the year is the government's primary task as Prime Minister Morihiro Hosokawa has indicated he will step down if it does not happen. The current extraordinary Diet session expires on December 15.

The government bills call for the replacement of multi-seat constituencies for the House of Representatives with a system combining 250 directly elected seats, one per constituency, with 250 seats selected proportionally. Two separate ballots would be cast, one for an individual

candidate in a single-seat constituency and the other for a party in a countrywide proportional representation election.

The LDP's plan calls for the introduction of a combination of 300 single-seat constituencies and 171 seats based on proportional representation in the lower house with voters marking a single ballot card on which the names both of parties and candidates are printed.

The government bills also seek an immediate ban on corporate donations to individual politicians and a review of corporate donations to parties five years after reform legislation is acted upon.

The LDP package would allow private firms to make donations to the political fund-raising organizations of individual politicians.

Under the government plan, a system would be created to subsidize political parties with about 41.4 billion yen or 335 yen per citizen from the state coffers.

Under the LDP bills, the state would fund political parties with subsidies totaling approximately 30 billion yen, or 250 yen per citizen.

Local LDP Organizations in 'Disorder'

OW1010112193 Tokyo KYODO in English 1102 GMT 10 Oct 93

[Text] Tokyo, Oct. 10 KYODO—Local organizations of the Liberal Democratic Party (LDP) have fallen into disorder with division and secession since the party lost its grip on power following the August establishment of Japan's coalition government, a survey said Sunday [10 October].

KYODO NEWS SERVICE conducted the survey earlier in October on how the LDP's local bodies have been affected by the rise of three new parties which now form the core of the coalition government.

The three parties are the Japan New Party (JNP), led by Prime Minister Morihiro Hosokawa, and two new conservative parties—the Shinseito (Japan Renewal Party) and the Sakigake (Harbinger)—both set up in June by LDP splinters.

The LDP officials said although they fear further schism and secession as the next general election is expected to approach, they cannot find effective ways to prevent them.

Some local LDP organizations are already in a critical phase with many of their members seceding, such as in Iwate, Osaka and Hyogo Prefectures.

Also, local assembly members affiliated with Shinseito and Sakigake legislators have not yet quit the LDP, such as in Tochigi and Hiroshima Prefectures, suggesting they are taking a wait-and-see attitude toward possible political realignment.

The situation is more complex in Nagano Prefecture, where Shinseito leader Tsutomu Hata, also foreign minister, has a Diet seat. Six Shinseito-associated prefectural assembly members have formed an alliance with LDP members to maintain power.

In Okayama Prefecture, the chairman and vice chairman of the prefectural assembly have apparently remained with the LDP only to protect their present posts, the officials said.

In Shizuoka Prefecture, LDP members and former LDP members who joined Shinseito are in a row over possession of some 16 million yen in assets from the LDP's Hamamatsu branch office.

If the current Diet session passes political reform bills calling for the introduction of single-seat constituencies, instead of the present multiseat constituencies, it is inevitable that more members will quit the party, LDP officials said.

To regain the party's force, LDP officials said they want to see more local opinion reflected at party headquarters and in the leadership of LDP President Yohei Kono.

Some local LDP organizations also showed a growing sense of crisis over the high level of support for the three new parties whose leaders, including Hosokawa, seem to better understand the need for decentralization.

Shinseito and Sakigake officials said they will embark on full-fledged plans to set up local organizations from this fall.

Shinseito printed 100,000 application forms for future party members and sent them to its Diet members and local offices nationwide.

A Sakigake official said his party plans to organize its local bodies with the possibility of forming a new party united with the JNP in the near future.

New Lawmakers Criticize TV Election Coverage

*OW1410120093 Tokyo KYODO in English 1104 GMT
14 Oct 93*

[Text] Tokyo, Oct. 14 KYODO—A group of new Liberal Democratic Party (LDP) members in the House of Representatives on Thursday [14 October] blasted a television station's alleged bias in its coverage of the July 18 general election.

In a statement, the legislators also pressed the party leadership to pursue the matter by summoning appropriate officials to the Diet for sworn testimony.

The move came a day after a news report said Sadayoshi Tsubaki, managing director and press bureau chief of Asahi National Broadcasting Co. (TV ASAHI), acknowledged that he had given instructions for coverage aimed at securing an LDP defeat.

Tsubaki denied the report at a news conference Wednesday.

The LDP lawmakers, elected to the lower house for the first time in the July poll, called the station's news policy an unpardonable breach of the law.

The broadcasting law stipulates that broadcasters must give fair and impartial coverage of political and electoral issues.

In the July election ended the LDP's 38-year grip on power and ushered in a seven-party coalition government.

Prime Minister Morihiro Hosokawa told a lower house plenary session Wednesday that it is natural to expect a broadcaster to report fairly on political and electoral issues in accordance with the law and that the Posts and Telecommunications Ministry is questioning people concerned.

Ministry Questions TV Asahi Managing Director

*OW1310113093 Tokyo KYODO in English 1122 GMT
13 Oct 93*

[Text] Tokyo, Oct. 13 KYODO—The Posts and Telecommunications Ministry has interviewed the managing director and press bureau chief of TV Asahi over allegedly intentional bias in its coverage of the July general election, a senior ministry official said Wednesday [13 October].

Prime Minister Morihiro Hosokawa said at a plenary session of the House of Representatives that it is natural to expect a broadcasting station to report political and electoral issues fairly in accordance with the broadcasting law. He said the ministry is questioning people concerned.

Hosokawa was responding to a question from Michihiko Kano, a member of the opposition Liberal Democratic Party, who urged a probe into a story on Wednesday in the SANKEI SHIMBUN newspaper.

The SANKEI reported that Sadayoshi Tsubaki, managing director and press bureau chief of ASAHI National Broadcasting Co., said at a meeting of the National Association of Commercial Broadcasters in Japan (NBA) on September 21, "I had instructed reporters to report so that a non-LDP government would be born."

He was also quoted as saying his station does not necessarily need to report fairly and admitted TV Asahi had reported in support of specific candidates in the July 18 general election.

Tsubaki said the LDP pressed sponsors of its popular "News Station" nightly news program to discontinue sponsorship and he could not forgive hard-liners in the party, according to the SANKEI.

Akimasa Egawa, chief of the ministry's broadcasting bureau, told reporters that if the report is true the TV station violated the broadcasting law, which stipulates political fairness.

Egawa said the ministry will punish the station if the report proves true. The radio law stipulates that the posts minister can order a broadcaster to suspend its operation if it violates the law. The public relations department of TV Asahi issued a statement denying the report.

The station "never reported with intentional bias and the press bureau chief did not give such an instruction. (We) are broadcasting fairly based on the broadcasting law and did not report the general election with a specific intention," it said. The Communications Division and the Telecommunications Research Commission of the LDP held a joint executive meeting to discuss the issue and decided to question persons concerned from TV Asahi, party officials said.

The LDP failed to seize a majority in the election and was ousted from power for the first time in 38 years by Hosokawa's coalition government in August.

Public Works Contracts Making Smooth Headway

OW1510023393 Tokyo KYODO in English 0142 GMT 15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—Local governments had contracts of 64 percent of their fiscal 1993 public works projects as of the end of August to help stimulate the nation's flagging economy, Home Affairs Minister Kanju Sato said Friday [15 October]. The total amount of public works planned by local governments this year is worth 14,316.5 billion yen, Sato said, of which 9,166.6 billion yen worth was contracted in the April-August period. The contracted level is the highest in recent years, he said at the day's cabinet meeting. The central government had asked local governments to make more than 75 percent of their public works contracts by the end of September, and this goal is likely to have been met, Sato added.

Record Number of Public Projects Contracted

OW1510033293 Tokyo KYODO in English 0306 GMT 15 Oct 93

[Text] Tokyo, Oct. 15 KYODO—A record 69.2 percent of public works projects budgeted for fiscal 1993 were contracted by the end of August, the Finance Ministry announced Friday [15 October]. The ratio came close to the 75.7 percent targeted during the first half of the current year to September.

The government contracted 11,266.7 billion yen worth of public projects by the end of August out of the 16,277.3 billion yen earmarked for the full year, ending next March 31. Front-loading of public spending is aimed at helping end the slump in the Japanese economy. A similar policy was followed in fiscal 1992,

with 66.5 percent of public projects contracted by August 31 last year, the previous record high ratio.

Meanwhile, local governments had contracts of 64 percent of their fiscal 1993 public works projects by the end of August, Home Affairs Minister Kanju Sato said.

Joint Military Exercises Reach Final Stage

OW1010131393 Tokyo NHK General Television Network in Japanese 1000 GMT 10 Oct 93

[Announcer-read report over video; from the "NHK News 7" program]

[Text] The largest-ever joint exercises by the Ground, Maritime, and Air Self-Defense Forces [SDF], which began last month, have reached the final stage. Today, drills in attacking the advancing enemy from the air and on the ground were held at the Yaosubetsu training ground in Hokkaido.

The joint exercises, which began on 29 September and will last until 12 October, are being conducted by the Joint Staff Council. The three SDF services—land, sea, and air—are participating in the maneuvers. The exercises are now in the final stage. Today, at Hokkaido's Yaosubetsu training ground, the maneuvers were conducted on the assumption that the enemy is landing on and advancing in Hokkaido, and the three forces have to fight back by using defense equipment such as tanks. In the maneuvers, 3,600 troops of the 10th Division from Nagoya, who landed at the training site aboard transport ships escorted by the Maritime SDF, conducted joint operations with F-1 support fighters belonging to the Air SDF. In the operations, they learned how they should combine air and ground defense.

[Begin recording; NHK City Department reporter Noriaki Fujimoto is seen standing at the training site] This is the first time in 10 years for the SDF to conduct joint exercises. The last were conducted in 1983. Over 90,000 troops are participating in the maneuvers, together with virtually all the air and maritime units. Some people question whether such large-scale exercises are really necessary in the post-Cold War era. They also point out that the assumption that Hokkaido is invaded and many SDF units have to be assembled there is outdated. Refuting this view, the Defense Agency said that the exercises are designed to find out possible problems in cooperation and communications among the three forces to prepare for emergencies. It also said it selected Hokkaido as a training site merely because such a site was not available in other areas, noting there was no special reason for the selection. [end recording]

Lawmakers Seek Submission of Military Plane Bill

OW1410084093 Tokyo KYODO in English 0556 GMT 14 Oct 93

[Text] Tokyo, Oct. 14 KYODO—A group of Social Democratic Party (SDP) lawmakers has sought the government's submission to the Diet of a bill to send Self-Defense Forces (SDF) aircraft abroad to evacuate overseas Japanese despite their party's opposition to the move, party officials said Thursday [14 October].

The group, called the Action New Democracy (AND), seeks the government's introduction of the bill to the current extraordinary Diet session ending December 15, the officials said.

SDP Chairman Tomiichi Murayama told a meeting of SDP members of the House of Representatives on Thursday that the party leadership wants to reach a decision on the matter as early as possible, they said.

On Wednesday, the 18-member AND, headed by House of Representatives member Kenji Yoshioka, criticized the leadership of the SDP, the largest force within the ruling seven-party coalition, of its objections to the presentation of the measure.

"Our party, as a member of the ruling coalition, is in a position to do its utmost, when necessary, to evacuate Japanese nationals in states of emergency and has no reason to oppose the dispatches of SDF planes abroad as part of such efforts," the group said in a statement addressed to Murayama.

However, the group noted the need to set strict guidelines in such a bill to prevent dispatched SDF personnel from using force on the soil of other countries.

Noting that rescuing overseas Japanese is the government's duty, the officials said the group's proposal is intended to stem the downtrend of the SDP's public support. Other parties in the coalition want to introduce the bill to the extra Diet session and have urged the SDP to agree to the submission of the measure. The opposition Liberal Democratic Party tabled such a bill late last month to the powerful lower house.

A similar measure cleared the lower chamber in the last regular Diet session with the backing of Komeito and the Democratic Socialist Party, then in opposition but now in the coalition government. But the bill was killed after the lower house was dissolved in June for a July 18 general election.

The SDP opposed the bill in the last sitting, saying restrictions are needed on the type of aircraft to be used and the equipment of personnel.

Okinawans Protest U.S. Parachute Exercise

OW1510081593 Naha NHK Television in Japanese 0315 GMT 14 Oct 93

[Text] The troops of the U.S. Army Special Forces unit are conducting a parachuting exercise at the Yomitan auxiliary airfield in Yomitan-son today [14 October]. Local residents, who gathered to protest the exercise, temporarily stopped army vehicles carrying the troops.

The troops are usually flown to the auxiliary airfield from the U.S. Army's Torii Station by helicopters. But, at this exercise, they were transported by Army vehicles to the airfield and then boarded the helicopters there. Local residents protesting the exercise blocked the road and stopped the vehicles for a while.

Despite the protest, the exercise started before 0830 [2330 GMT] when the first two servicemen parachuted from the helicopter. Following them, two to four at a time jumped, until 64 had parachuted down by 1100. According to information from various sources, including the police, a total of 130 servicemen are scheduled to participate in today's exercise.

About 20 people, including Yomitan residents, held a rally near the airfield, setting up banners saying that the airfield should be returned to local residents.

Official Seeks Advice on Increasing Retirement Age

OW1410062893 Tokyo KYODO in English 0343 GMT 14 Oct 93

[Text] Tokyo, Oct. 14 KYODO—Labor Minister Chikara Sakaguchi asked a ministry advisory group on Thursday [14 October] for recommendations on ways of securing employment for workers aged 60 to 65, ministry officials said. Such systems are mandatory if plans to raise the age for receiving pensions from 60 to 65 are to be realized, the officials indicated.

They said most Japanese companies have adopted a compulsory retirement age of 60 and a system should now be established to allow workers to continue working until they are 65, if they wish. The advisory group, the Employment Council, is expected to come up with recommendations before the end of the year. On the basis of the recommendations, the ministry will draft legislation for revising the existing law for the employment of older workers, the officials said. The bill is expected to be submitted to the next ordinary Diet session.

About 80 percent of Japanese companies have extended the compulsory retirement age to 60, but of these, only 20 percent have provision for continued employment of workers to age 65, the officials said.

KDD To Launch Leased Optical Circuit Service*OW1510114593 Tokyo KYODO in English 0952 GMT 15 Oct 93*

[Text] Tokyo, Oct. 15 KYODO—Japan's top international telecommunications company KDD said Friday [15 October] it will launch an optical fiber international leased circuit service as early as next spring. KDD said it will be the first Japanese telecom company to launch the service, which enables subscribers to communicate internationally using the optical fiber technology, in Asia. The company said it will sell the service, called Unistream, in partnership with Unisource Business Network B.V. (UBN), a joint venture in the Netherlands.

UBN, which started the service in 11 European countries in January, was established in June 1992 by PTT Telecom Netherlands and Swedish Telia. Swiss Telecom PTT joined in July.

North Korea**Second Working Contact for Envoy Exchange Held***SK1510120293 Pyongyang KCNA in English 1114 GMT 15 Oct 93*

[Text] Panmunjom, October 15 (KCNA)—The second working-level contact for an exchange of top-level special envoy between the North and the South of Korea took place in the southern portion of Panmunjom today.

The contact was held behind closed doors.

At the end of it the head of the North side's delegation briefed reporters on it.

According to him, the North side set out its view on the working procedures for the exchange proposed before [words indistinct] called attention to the fact that the South [words indistinct] to clarify the mission of special envoys while laying emphasis only on the matter of form. It suggested discussing the working procedures on the basis of its reasonable proposal, urging the South [words indistinct] manifest its attitude as to ceasing nuclear war exercises of any form and not seeking an "international cooperation system" if it [words indistinct] to settle the important affairs of the nation including the denuclearization problem through an exchange of special envoys in keeping with the demand and aspirations of the times and the people at home and abroad.

The South side, far from manifesting an understandable attitude toward the North side's just demand, repeated (?its) unreasonable and unrealistic argument in an attempt to justify its unjust attitude.

The South side made [words indistinct] that the demand of the North side was "a matter outside the authority of the working-level contact [words indistinct] and that there have not been nor will be nuclear war exercises."

The North side strongly called the South side to ask for its [words indistinct] whether the South side manifests its attitude or [words indistinct] be a touchstone showing whether it was willing to exchange special envoys or not and whether it was willing to make a new start or to follow in the footsteps of the past in dialogue.

Our side repeatedly and strongly urged the South side to answer whether it would stage "Eagle" exercise at the end of October or early in November or not, [word indistinct] it would solve the nuclear problem [words indistinct] Korea, if the "international cooperation system" is to settle the North's "nuclear problem", and whether it has an intention to promote the national cooperation system instead of the "international cooperation system" with the view of realizing the denuclearization of the Korean peninsula, or not.

But the South side avoided answers to these questions.

The North side put forward a new proposal for a contact between the heads of the delegations of the sides, [word indistinct] of the sincere stand for realizing the exchange of special envoys at any cost to live up to the expectation of the nation.

Today's contact showed again that the South side wanted neither the exchange of special envoys nor the settlement of the issue of the country's denuclearization.

The sides agreed to have the next contact on October 25.

After the contact, the heads of the delegations met in camera.

U.S. Blamed for Korea's Nuclear Problem*HK1410065593 Hong Kong AFP in English 0524 GMT 14 Oct 93*

[Text] Beijing, Oct 14 (AFP)—North Korea, blaming the United States for creating the Korean nuclear problem, reiterated its stance Thursday that the issue could be solved only through direct bilateral talks. "There are no nuclear weapons in our country and our country does not have the ability to produce nuclear weapons. As far as the nuclear issue of the Korean Peninsula is concerned, it is actually caused because of the United States," North Korean charge d'affairs Pae Yong-jae said.

"So, we stand by our position that this problem should be solved through negotiation with the United States," Pae said, calling this the only way to settle the matter.

Pyongyang has raised suspicions it is forging ahead with a nuclear weapons programme by refusing to allow International Atomic Energy Agency (IAEA) inspections of its nuclear facilities. It announced this week it would halt talks with the agency and discuss the nuclear issue only with the United States, saying the IAEA had lost its qualification to negotiate because of a "political plot" devised in collusion with the United Nations against the Stalinist state.

Pae repeated allegations of the "dirty plot," involving the forgery of U.N. Secretary General Butrus Butrus-Ghali's signature on a September message to the IAEA assembly mentioning possible "active involvement of the UN Security Council" to settle the nuclear issue.

A third round of high-level talks between Pyongyang and Washington was scuttled in September because of the North's refusal to return to the negotiating table with South Korea and its recalcitrance in talks with the IAEA.

North Korea has since resumed working-level talks with the south.

In March, North Korea threatened to withdraw from the Nuclear Non-Proliferation Treaty, but suspended the decision in June.

Official Reveals Japan's 'Sinister' Intention

*SK1510051093 Pyongyang KCNA in English 0414
GMT 15 Oct 93*

["Sinister Scheme"—KCNA headline]

[Text] Pyongyang, October 15 (KCNA)—The general secretary of the Japan Renewal Party, Ozawa, in a recent interview with a commercial radio said the DPRK "is delaying the acceptance of nuclear inspection for the purpose of nuclear armament" and also talked about "missile threat" from the DPRK.

NODONG SINMUN today says that this was intended to hurt the DPRK, ignoring the truth that it revealed the sinister intention of Japan to promote nuclear armament and military power buildup.

The news analyst says:

We do not oppose nuclear inspection on condition that impartiality is ensured. The International Atomic Energy Agency, however, has discarded the principle of impartiality and takes an unreasonable attitude by demanding "special inspection" of the DPRK.

While keeping mum about this unreasonable behavior of the IAEA, Ozawa freely provoked the innocent DPRK and cried over "purpose of nuclear armament." This is a distortion of the reality, which can convince no one.

Lurking behind his outcries about "nuclear armament" and "missile threat" from the DPRK is an intention to impair the image of the DPRK, divert elsewhere the international guard against Japan and encourage the Japanese reactionaries in nuclear and missile arming.

By branding the DPRK's "refusal of nuclear inspection" as "aimed at nuclear armament," Ozawa tries to make it an excuse for the promotion of Japan's nuclear armament.

His outburst about "missile threat" from the DPRK was intended to find a pretext for increasing Japan's capacity of missile attack.

German Paper on Mitterrand's Promises in South

*SK1410230593 Pyongyang KCNA in English 1503
GMT 14 Oct 93*

[Text] Pyongyang, October 14 (KCNA)—The German paper FRANKFURTER ALLGEMEINE September 29 in an article headlined "French Diplomats Mobilized in Export Business" said the promises made by Mitterrand during his tour of South Korea can hardly be taken at their face value.

Mitterrand boastfully blared that France was holding a leading position in technologies, keeping mum about the fact that the high-speed trains and air buses to be sold to South Korea were co-products with other countries, said the paper.

It continued:

Mitterrand said that EC would improve trade with South Korea and he had persuaded EC to open its market to the South Korean products and that France would provide high-technologies to South Korea. But, his promises are untrustworthy.

Because, shoes, leather goods and cars which South Korea wants to export to France are products whose imports are largely restricted by France due to their massive import from Southeast Asia.

And how can Mitterrand open the European market to the South Korean car industry when France herself is undergoing the worst crisis in car industry since 1945.

Still less credible is the promise that France would offer high technologies to South Korea. None of the French companies are prepared to provide high technologies to South Korea. Regarding the France-Britain high-speed trains which France wants to sell to South Korea, she is unwilling to transfer the technologies of the high-speed train of next generation.

Not without reason the South Korean English-language magazines published in South Korea said the promises of Mitterrand were not a basis for tightened bilateral economic ties but a perfume for outward show.

France is trying to be recognized as a leading state of technologies, throwing off the image of a state of perfumes and fashionable dresses and capitalize on the sale of high-speed trains to South Korea as a breakthrough in this.

Japanese, Peruvian Scholars Praise Chuche Idea

*SK1510113393 Pyongyang KCNA in English 1009
GMT 15 Oct 93*

[Text] Pyongyang, October 15 (KCNA)—Prof. Hiroharu Seki of Ritsumeikan University, Japan, who is director of the Board of the International Institute of the Chuche Idea, said Korea was an independent country which had formed a great harmonious family and brought new

miracles and innovations every day in all domains of socialist construction with concerted efforts.

He told KCNA here that the happy life of the Korean people and the true appearance of the society were a proud fruition of the immortal *chuche* idea founded by respected President Kim Il-song and that it was a great honor and pride for the Korean people to have this genuine, flawless anthropocentric idea.

"The achievements made by the Korean people in the fields of ideology, technique and culture will greatly contribute to the development of the world," he added.

Giving his impressions of the reminiscences of President Kim Il-song "With the Century," Hiroharu Seki said he was the greatest man with undisputed prestige.

At a press interview here president of the Los Andes de Huancayo University of Peru, Nelson Espinosa, said that none of those countries which were said to be most developed in the world had registered such wonderful success in education and in all other fields of society as in Korea.

"Korean-style socialism to which the *chuche* idea has been applied represents the society hoped for by mankind today," he said.

Pyongyang Hosts International Shooting Match

SK1110060093 Pyongyang KCNA in English 0536
GMT 11 Oct 93

[Excerpt] Pyongyang, October 11 (KCNA)—The 1993 international shooting tournament was held in Pyongyang over 6-10 October.

The tournament drew over 400 shooters of Mongolia, Iran, India, China (selection and Liaoning Province) and DPRK (A and B). [passage omitted listing results]

Slovak Communist Party Gives Gifts

To Kim Il-song

SK1510045593 Pyongyang KCNA in English 0359
GMT 15 Oct 93

[Text] Pyongyang, October 15 (KCNA)—The great leader President Kim Il-song received a gift from the visiting delegation of the Slovak Communist Party [SCP].

It was handed to an official concerned by the head of the delegation Tibor Keckes, vice-chairman of the SCP Central Committee.

To Kim Chong-il

SK1510045693 Pyongyang KCNA in English 0410
GMT 15 Oct 93

[Text] Pyongyang, October 15 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from the visiting delegation of the Slovak Communist Party [SCP].

It was handed to an official concerned by head of the delegation Tibor Keckes, vice-chairman of the SCP Central Committee.

Vice President Meets With New PRC Ambassador

SK1410231993 Pyongyang KCNA in English 1519
GMT 14 Oct 93

[Text] Pyongyang, October 14 (KCNA)—Vice-President Pak Song-chol today met and conversed with newly appointed Chinese Ambassador to Korea Qiao Zonghuai who paid a courtesy call on him at the Mansudae Assembly Hall. Vice-Minister of Foreign Affairs Cho Kyu-il was on hand.

PRC Magazine, Provincial Delegation Arrives

SK1110112193 Pyongyang KCNA in English 1031
GMT 11 Oct 93

[Text] Pyongyang, October 11 (KCNA)—A delegation of QIU SHI, the politico-theoretical magazine of the Central Committee, the Communist Party of China, led by editor-in-chief You Lin; a delegation of the Jiangsu Provincial Party Committee of the Communist Party of China led by Cao Keming; deputy secretary of the Jiangsu Provincial Party Committee; and a delegation of Korean traders and industrialists in Osaka under the General Association of Korean Residents in Japan (Chongnyon) led by Yo Kwang-si, deputy director general of the Osaka prefectural association of Korean traders and industrialists under Chongnyon, to visit the socialist homeland, arrived here by air today.

Delegation of Chongnyon Officials Arrives

SK1010102993 Pyongyang KCNA in English 0900
GMT 10 Oct 93

[Text] Pyongyang, October 10 (KCNA)—A delegation of officials of the General Association of Korean Residents in Japan (Chongnyon) headed by Vice-Chairman of its Central Standing Committee, Choe Pyong-cho, arrived here Saturday.

Columbian Party Delegate Arrives in Pyongyang

SK0910045393 Pyongyang KCNA in English 0403
GMT 9 Oct 93

[Text] Pyongyang, October 9 (KCNA)—A delegate of the Communist Party of Colombia, Gladys Del Carmen

Oliveros, who is a member of the Central Committee [C.C.] of the Party, arrived here Friday.

The guest was met at the airport by Pak Kyong-son, vice-director of a department of the C.C., WPK [Workers' Party of Korea].

Meets Party Secretary

*SK1510044493 Pyongyang KCNA in English 0405
GMT 15 Oct 93*

[Text] Pyongyang, October 15 (KCNA)—Secretary of the Central Committee of the Workers' Party of Korea [WPK] Kim Chung-nin met and had a friendly talk with delegate of the Communist Party of Colombia [CPC] Gladys Del Carmen Oliveros, member of the Central Committee of the CPC, at the Mansudae Assembly Hall Thursday.

Noting that the CPC was following with deep interests the tremendous achievements of the Korean people in socialist construction, the guest said:

"We will make efforts to further strengthen and develop the bonds of friendship with the WPK and the Korean people."

"Through my visit, I could see at first hand that the Korean people are successfully building socialism, undaunted by foreign interference and pressure.

"All the achievements made in Korea are a fruition of the wise guidance of the great leader Comrade Kim Il-song."

He fully supported the Korean people's struggle for national reunification and expressed the hope that Korea will be reunified independently and peacefully at an early date."

Cuban Foreign Ministry Delegation Departs

*SK1510005993 Pyongyang Korean Central
Broadcasting Network in Korean 1500 GMT 12 Oct 93*

[Text] The Cuban Foreign Ministry delegation led by its Vice Minister Mario Rodriguez returned home on 12 October by plane. Vice Foreign Minister Pak Myong-ku and Cuban Ambassador to the DPRK Juan Jose Leon Vega were on hand at the airport to bid farewell to the delegation.

Friendship Gathering With Cuban Officials

*SK1510044393 Pyongyang KCNA in English 0402
GMT 15 Oct 93*

[Text] Pyongyang, October 15 (KCNA)—A friendship gathering with officials of the Cuban Embassy here took place Thursday at Pyongyang Moranbong Senior Middle School No. 1.

Invited there were Cuban Ambassador Juan Jose Leon Vega and embassy officials.

The participants deepened feelings of friendship, playing various sports and amusement games such as running inside a ring, running with balls in arms, partner-finding, volleyball and tug of war.

The ambassador said he was pleased to share feelings of friendship with the teachers and students of the school on the occasion of the 48th founding anniversary of the Workers' Party of Korea.

Eritrean Finance Minister Arrives in Pyongyang

*SK1210233593 Pyongyang KCNA in English 1529
GMT 12 Oct 93*

[Text] Pyongyang, October 12 (KCNA)—Haile Welde Tensae, minister of Finance and Development of Eritrea and his party and a delegation of the International Institute of the Chuche Idea led by its secretary general Kenichi Ogami arrived here today by air.

Anniversary of DPRK, Mongolian Relations Marked

*SK1510045393 Pyongyang KCNA in English 0409
GMT 15 Oct 93*

[Text] Pyongyang, October 15 (KCNA)—Mongolian Ambassador to Korea D. Gongaadorj gave a party on October 14 on the occasion of the 45th anniversary of the opening of diplomatic relations between Korea and Mongolia.

Present on invitation were Yun Ki-chong, minister of Finance and chairperson of the Korea-Mongolia Friendship Association; Cho Kyu-il, vice-minister of Foreign Affairs; Chon Yon-ok, vice-chairperson of the Committee for Cultural Relations with Foreign Countries; and other officials concerned.

Speeches were exchanged at the party.

Anniversary of Polish, DPRK Relations Marked

*SK1510045093 Pyongyang KCNA in English 0407
GMT 15 Oct 93*

[Text] Pyongyang, October 15 (KCNA)—Ryszard Baturo, Polish ambassador to Korea, Thursday gave a cocktail party at the embassy on the occasion of the 45th anniversary of opening of diplomatic relations between the Democratic People's Republic of Korea and the Republic of Poland.

Present on invitation were Yi In-kyu, vice-minister of Foreign Affairs; Ku Pon-tae, vice-chairman of the State External Economic Affairs Commission; O Mun-han, vice-chairman of the Committee for Cultural Relations with Foreign Countries; and other officials concerned.

Speeches were made at the cocktail party.

Daily: North's 'Mode of Politics' Most Suitable*SK1510121393 Pyongyang KCNA in English 1034
GMT 15 Oct 93*

["Establishment of Mode of Politics Suited to Socialist Society"—KCNA headline]

[Text] Pyongyang, October 15 (KCNA)—A by-lined article of NODONG SINMUN today says the mode of politics established in the Democratic People's Republic of Korea is the most correct one suited to the socialist society.

The article says:

Establishing a socialist mode of politics is an important matter connected with the fate of socialism.

The great leader Comrade Kim Il-song put it forward as an important task to improve work system and method of the party and the state in compliance with the requirements of new changed circumstances after the establishment of the socialist system in the DPRK, and created the Chongsanri spirit and Chongsanri method and the Taean work system embodying them.

The dear leader Comrade Kim Chong-il has constantly developed and enriched the idea and theory on the unique Korean-style mode of politics and wisely led all the activities of the party and the state to be conducted in compliance with the demand of the chuche-based mode of politics.

The revolutionary essence of the chuche mode of politics which is now brilliantly applied by the Workers' Party of Korea lies in that it is the method by which to shape politics by raising the role of the popular masses, making them true masters of politics.

This is the most scientific and revolutionary, new mode of politics conforming to the nature of socialist society.

The chuche mode of politics is, above all, a revolutionary one which makes it possible to shape genuine politics for the people.

In the DPRK now the popular masses hold the position of masters of politics and are fully discharging their responsibility and role as masters in the administration of the state and society.

The chuche mode of politics is also a powerful one which makes the whole society one big family through politics of love and trust.

It is a brilliant fruition of the chuche mode of politics that the entire people in Korea boundlessly trust and follow the party and the leader, firmly united around them ideologically and purposefully and in moral obligations.

The chuche mode of politics also makes it possible to dynamically accelerate socialist construction by giving full play to the revolutionary zeal and creative ingenuity of the masses.

Now the Korean people are devotedly striving for the development and prosperity of the socialist motherland, strengthening comradely unity and cooperation and fully displaying their creative strength and wisdom.

Achievements in DPRK's Economy Highlighted*SK1510123393 Pyongyang KCNA in English 1044
GMT 15 Oct 93*

[Text] Pyongyang, October 15 (KCNA)—A signal upsurge in production has been reported from different domains of the national economy of Korea.

The Kim Chaek iron and steel complex, a metallurgical giant in the northern region, is these days surpassing its daily assignments for iron and steel output set far higher than last year by 20 percent.

Shoe production is on a steady increase at the factories under the general bureau of shoe-making industry. The Pukchong and Sinuiju shoe-making factories are these days fulfilling their daily quotas at 110 percent by introducing advanced work methods. The Hyesan shoe-making factory is effecting collective innovations, over-fulfilling its daily assignments 30 percent by enlisting the efforts and intelligence of the masses.

Power producers in Chagang Province including those of the Wiwon and Changjagang power stations who topped their plans for last month 70 percent has lifted their daily electricity production 50 percent above last year by keeping the equipment in full-capacity operation.

Meanwhile, the coal mines in South Hamgyong Province, the Tokchon District coal mining complex, locomotive corps and long-distance Oruck transport corps in various areas, light industrial factories in Nampo Municipality and many other units have sharply boosted production this month above last month.

Report on Political Prisoners in South Cited*SK1510122593 Pyongyang KCNA in English 1040
GMT 15 Oct 93*

["'Civilian Government' Hit From Behind"—KCNA headline]

[Text] Pyongyang, October 15 (KCNA)—The Amnesty International in a recent statement disclosed that there are "about 300 political prisoners in custody in South Korea" and they are still put to tortures, although the present ruler of South Korea "committed" himself to "democratization."

This was a blow from behind to the "civilian government" which is advertising its "achievements" in human rights, stresses NODONG SINMUN today.

The news analyst says:

When putting on the "civilian" veil, the present ruler of South Korea loudly advertised "liquidation of the old legacies" and "reforms." But there has been no change in South Korea.

Far from removing the leftovers of the dictatorial era such as the "National Security Law" and "Security Planning Board" denounced as the worst law and repressive tool, the "civilian government" is maintaining them and using them more arbitrarily in violating human rights. The "amnesty" proclaimed by the authorities was only superficial, and numerous patriotic pro-reunification democrats have been thrown behind bars on charges of violation of the "National Security Law" for the mere reason that they called for independence, democracy and reunification.

According to data submitted by the "justice minister" to the "National Assembly," the present "government" launched a roundup campaign against 341 patriotic students and unionists after putting them on the want list on the suspicion of violation of the "National Security Law." It is only too natural that the Amnesty International exposed the human rights violations in South Korea.

However loudly the South Korean rulers may cry about "liquidation of authoritarianism" and "society of justice," they can never conceal the brutal violations of human rights by the "civilian fascist government" which has grown from the roots of the dictatorship of the "Fifth and Sixth Republics."

Chinese Residents in Korea Visit Military Unit

*SK1010101793 Pyongyang KCNA in English 0845
GMT 10 Oct 93*

[Text] Pyongyang, October 10 (KCNA)—Chinese residents in south Hamgyong Province Saturday visited the Yi Kwang-sop Unit of the Korean People's Army which was significantly greeting the 48th anniversary of the founding of the Workers' Party of Korea [WPK] with the strengthening of their combat capacity.

The visitors expressed admiration at the looks of the soldiers of the unit who were firmly preparing themselves to be revolutionary soldiers, each of them a match for a hundred, under the wise guidance of the WPK.

The visitors and soldiers spent a joyful time, dancing and singing.

Further on Speeches at Tangun, Kojoson Symposium

*SK1410234693 Pyongyang KCNA in English 1518
GMT 14 Oct 93*

[Text] Pyongyang, October 14 (KCNA)—Speakers at the scientific symposium on Tangun and Kojoson (ancient Korea) which took place here on October 12 and 13

pointed out that the father of the Korean nation has been found out and the 5,000-year long history of Korea and her status as an advanced country have been confirmed with a new light thrown on Tangun and Kojoson.

Dr. and Assistant Prof. Kang In-suk, a room chief of the History Institute of the Academy of Social Sciences, spoke about the birth and activities of Tangun.

She said:

The birthplace of Tangun cannot be other place than Pyongyang, for the Tomb of Tangun is located in Pyongyang and his bones have been found there and, moreover, historical records testifying to the fact that Tangun was born in Pyongyang have been conveyed systematically.

An event worthy of special record in Tangun's life and activities is that he accomplished the cause of building a country.

He had gradually changed and developed primitive political machines into repressive tools to control antagonism between classes and tribes and, on this basis, chose the walled city of Pyongyang as the capital and founded the first state in early 30th century B.C.

The founding of the first state in the East marked the end of the more than one million-year long primitive era in Korea and the entry of the Korean nation into an age of state, an age of civilization. This was the greatest feat performed by Tangun for the nation and an epoch-making event in the history of the Korean nation.

Prof. and Dr. Hyon Myong-ho, a room chief of Kim Il-song University, made a speech on the founding of Kojoson and its capital.

It has been generally recognized that Tangun founded the state 2333 B.C. but, now, this supposition is totally senseless as the date of Tangun's birth has been confirmed on a scientific basis through his bones.

Of course, the exact year cannot be stated, but, in view of the fact that Tangun was born toward the close of the 31st century B.C., or 5,011 years ago, it is most reasonable to say that the state was founded by him in the early 30th century B.C.

The capital of Kojoson chosen by Tangun was Pyongyang.

In old societies it was a usage to choose the sites of royal tombs near the capital city. From this point of view, the capital chosen by Tangun must be found in Pyongyang where the Tomb of Tangun is located, not in faraway Liaodong area, as the tomb in Kangdong has been proved to be Tangun's.

Old documentary records including the "History of Three Dynasties" and "Historical Records of Three Dynasties" clearly show that Pyongyang was the capital of Kojoson chosen by Tangun.

Assistant Prof. and Associate Dr. Kim Pyong-yong, head of a chair of Kim Hyong-chik University of Education, made a speech on "Weishu" that conveys the founding of a state by Tangun.

"History of Three Dynasties" which is the first history book of Korea to mention the myth about Tangun quotes a record on the founding of a state by Tangun from the Chinese book "Weishu."

The record of "Weishu" is considered a valuable material which conveys the historical fact that Tangun founded Korea.

But, the record in "Weishu" says Kojoson was founded "2,000 years ago from now." There is a gap of 1,300-1,500 years between it and the figure obtained through the dating of the bones of Tangun 5,011 years ago.

Our ancestors who provided data to "Weishu" said the date of the founding of Kojoson was "2,000 years ago," comparing him with the king of the remotest year known to them in human history, because they had only a vague idea that Tangun built the country many, many years ago. Therefore, the year in the record of "Weishu" is not reliable. The year must be revised on the basis of the dating of Tangun's bones.

Prof. Sin Ku-hyon, a researcher of the Korean Language and Literature Department of Kim Il-song University, made a speech on the major characteristics of the "Myth About Tangun."

The "Myth About Tangun" is the first state-building story that tells about Tangun, the father of Korea, in mythical imagination.

It has been somewhat embellished in a long period, but Tangun is dignifiedly regarded and described as the founder of "Tangun's Korea" and as "Tangun Wang Kom."

This proves that Tangun, though depicted in mythical imagination, was a real person in history and was consecrated as the founder of Kojoson, the father of the Korean nation and the symbol of the national soul.

Assistant Prof. and Associate Dr. Ok Kwang-chun, a researcher of the Archaeology Institute of the Academy of Social Sciences, add Pyongyang was the centre of ancient culture.

The relics of Kojoson such as dolmens and home sites unearthed in Pyongyang and its vicinity prove that this area was the centre and source of culture of Kojoson.

As far as the dolmens, the unique creation of our ancestors, are concerned, there are thousands of them within the radius of 40 kilometres of Pyongyang, according to a preliminary calculation. There have been found dolmens in North and South Hamgyong Provinces, Yanggang Province and the Liaodong area, but no such large groups of dolmens as in Iyongyang area.

The 100 odd dolmens found in the Liaodong area, the border area of Kojoson, are all inheritances of the dolmen tomb type of the Pyongyang area.

This eloquently shows that the Pyongyang area was the centre of ancient culture and the capital of Kojoson.

Pyongyang Radio on Socialism's Collectivism

*SK1510101893 Pyongyang Korean Central
Broadcasting Network in Korean 0000 GMT 3 Oct 93*

[From the "Ray of Chuche" program: "Collectivism Is the Essence of Socialism"]

[Text] Currently, imperialists and socialist traitors are defaming socialism for being totalitarian and for carrying out socialism in a militant and administrative command style. They are viciously slandering socialist collectivism. Their reactionary and unscientific sophistry is a product of the foolish maneuver to use all means to obliterate [malsal] socialism, which regards collectivism as life.

To smash [chitbusigo] all kinds of antisocialist maneuvers by the imperialists and socialist traitors; safeguard and adhere to the socialist cause; and eternally elucidate the most superior socialism of our own style centered on the popular masses, we must all the more thoroughly embody the principle of collectivism in all fields of social life. To achieve this, we must firmly arm ourselves with our party's unique ideological theory that the essence of socialism lies in collectivism.

In the dear leader Comrade Kim Chong-il's historical work, "Defamation of Socialism Cannot Be Tolerated," he once again scientifically proved the ideology that the essence of socialism lies in collectivism.

The dear leader Comrade Kim Chong-il has pointed out: Not only is the essence of socialism found in collectivism, but its superiority and its source of might is also found in collectivism.

The ideology that the essence of socialism lies in collectivism as elucidated by the dear comrade leader is an ideology which shows that socialism is a society which regards collectivism as life. Actually, we cannot think about socialism apart from collectivism.

What kind of ideology is collectivism then, if socialism is regarded as its essence and life? In a nutshell, collectivism is an ideology which treasures collective interests more than individual interests. Along with independence, creativity, and consciousness, this collectivism is an intrinsic demand of man, a social being.

Collectivism is an innately human need. This is related to the fact that man can magnificently pioneer their fate only in a social collective.

Which society, then, can most magnificently realize the intrinsically human need for collectivism? It is the

socialist society. Here then, is one of the reasons showing that socialism and communism are an ideal society for man.

In a socialist society, all working people have become socialist workers. In this kind of socialist society, the whole society forms a large family united under one interest.

In a socialist society, collectivism is wholly expressed from the fact that all the members of society treasure the interest of the state and society more than their own interests. However, this does not mean that socialist collectivism is to let the interest of the state and society and the individual's interest stand face to face. Rather, socialist collectivism coincides with the interest of the state and society and the individual's interest.

In other words, the work to advocate the interest of the state and society and the struggle to achieve it in a socialist society is the same as the popular masses—the master of society—struggling for their own interests.

The popular masses are a social collective comprised of the working people. Therefore, advocating the interests of the popular masses is the same as advocating the interest of each worker who is a member of the popular masses.

Socialist collectivism demands that individual interests be realized amid the interests of state and society which are given priority. Socialist collectivism does not reject individuals' interests, but the seeking of only individual interests before those of the state and society.

Socialist collectivism never encroaches on individual interests as bourgeois advocates and betrayers of socialism rave. Rather, bourgeois individualism that they protect and pursue violently encroaches and infringes upon individual interests.

Capitalism victimizes and infringes upon the interests of those working on behalf of the few in the exploiting class. Herein lies the inherent reactionary nature of capitalism. Such a society inevitably bears all sorts of contradictions and social evils.

The ideology of collectivism has constantly developed as a socialist ideology, and it has developed to a new high stage on the strength of the great *chuche* idea. Elucidating that the main force of history which pioneers man's destiny is not that of individuals but that of the popular masses, the *chuche* idea expounds creative and unique ideology which says that the popular masses should unite as one social and political organism in order to pioneer their destinies independently and creatively.

Isolated individuals cannot become the main force of social movement in history nor can they possess the social and political life of a social being with independence, creativity, and consciousness. The main body of man's social and political life consists of social collectives. An individual is a member of a social collective. Only when he shares his destiny with a collective can an

individual possess the social and political life apart from the physical life and live and develop independently and creatively as the master of his own destiny.

In the social collective where the popular masses, the main force of history, are rallied as a social and political organism, the principle of comradely love and revolutionary obligation to help and devotedly serve each other prevails in the relations among individuals and the relations between the individual and collective. Relations between collectives and individuals which share the same destiny based on comradely love and revolutionary obligation find expression in socialist collectivism which embodies the principle of "one for all and all for one."

Our socialism based on the *chuche* idea is a society where socialist collectivism has been most thoroughly embodied. Today, our people have become a social and political organism and an independent revolutionary body firmly rallied around the party and the leader. They are also enhancing their collectivist life habits which are based on comradely love and revolutionary obligation in all fields of social life.

Apart from such collectivist life habits we cannot think of the popular masses-centered socialism of our own style. Society devoid of collectivism, an inherent human demands, cannot become a socialist society. Herein lies the reason why collectivism is the essence of socialism.

Kim Chong-il Thanks Various Units, Workers
SK1510112593 Pyongyang KCNA in English 1005
GMT 15 Oct 93

[Text] Pyongyang, October 15 (KCNA)—The dear leader Comrade Kim Chong-il extended thanks to different units which had actively aided the People's Army, among them the Pyongyang seasoning powder factory, the Yongsong meat processing factory, the Sosong District People's Hospital in Pyongyang, Tongmun-tong No. 1 of Taedonggang District, Pyongyang, the Pyongyang Singan primary school and the Kangwon Provincial Fisheries Administration.

His thanks also went to Chon Chu-ok residing in Yusong-tong, central district, Pyongyang, Kwon Chik-in, head of a department of the Kusong city, North Phyongan Province, party committee, and repatriates from Japan residing in the city, Kang Chong-kuk, an instructor of the state external economic affairs commission, and his family and other working people and families.

The units and working people who received thanks while the beautiful tradition of Army-civilian unity was being fully displayed throughout the country, have done many good jobs helpful to strengthening the combat power of the People's Army units.

Duck-Feather Plant Expansion Project Completed

*SK1110025793 Pyongyang Korean Central
Broadcasting Network in Korean 2200 GMT 9 Oct 93*

[Text] The capacity-expansion project of the Sunan duck-feather processing plant has been completed.

Comrade Kim Chong-il, the dear leader of our party and people, sent a thank-you message to the builders and plant employees who have participated in the project.

Upholding the party's intention, the employees of the Sunan duck-feather processing plant and the builders, who have been mobilized in the capacity-expansion project, have built a modern building with a total floor space of 7,000 square meters, within a short period of a year.

The duck-feather processing plant, which has newly been expanded, will contribute to improving the people's living standard, by producing various commodities, including duck down clothing and covers.

A meeting to deliver the dear leader Comrade Kim Chong-il's thank-you message and begin operations of the newly-expanded Sunan duck-feather processing plant was held on the spot yesterday.

Kang Hyon-su, responsible secretary of the Pyongyang Municipal Party Committee and chairman of the Pyongyang Municipal People's Committee; functionaries concerned; builders; plant employees; and working people in Sunan district attended the meeting.

Kim Chong-il's thank-you message to the builders and plant employees, who have been engaged in the capacity-expansion project of the duck-feather processing plant, was delivered among attendees' enthusiastic applause.

After Kim Hyo-sik, director of [word indistinct] general bureau, made a report on the start of operation, Yi Ok-sok, chief technician; Kim Yong-hui, work team chief; and Yu Mu-il, tailor, participated in discussions.

A resolution was adopted at the meeting. After a red tape was cut, those attendees went around major production processing facilities.

South Korea**Second Contact for Korean Envoy Exchange Held**

*SK1510034393 Seoul KBS-1 Radio Network in Korean
0310 GMT 15 Oct 93*

[Report by Kwak U-sin from Panmunjom]

[Text] South and North Korea held the second round of working-level meetings for an exchange of special envoys at the House of Peace at the South's side of Panmunjom and discussed practical procedures for the exchange of envoys.

At today's talks, our side urged repeatedly that the South and the North exchange special envoys before the end of October. North Korea, however, repeatedly demanded that the South express its position on the North's demand put forward at the first round of talks—suspension of the so-called nuclear war exercise and abandonment of the international cooperation system.

Regarding this, Song Yong-dae, chief delegate of our side, said: We have never conducted the so-called nuclear war exercise, but there is room for the consideration of suspension of the Team Spirit exercise if North Korea shows a sincere attitude. It is natural, however, for South Korea to maintain an international cooperation system as a party that signed the joint declaration of denuclearization and as a member nation of the United Nations.

North Demands Halt to Exercise

*SK1510080493 Seoul YONHAP in English 0749 GMT
15 Oct 93*

[Text] Panmunjom, Korea, Oct. 15 (YONHAP)—North Korea again demanded South Korea halt its "nuclear war exercise" and stop seeking international cooperation in dealing with North Korea in the second round of inter-Korean working-level talks on an exchange of special envoys at the truce village of Panmunjom on Friday.

The two sides neared agreement, however, on procedural matters related to an exchange of envoys, such as when and how the envoys should make their visits and who should accompany them, while agreeing to hold the third round of the talks in the Tongil-kak (Unification Pavilion) on the Northern sector of Panmunjom on Oct. 25.

Chief South Korean delegate Song Yong-tae offered to exchange special envoys this month to discuss and settle the nuclear issue with top priority.

Responding to North Korea's demand, he said the problem related to the "Team Spirit" military exercise, which North Korea referred to as the "nuclear war exercise," could be discussed and settled in a flexible manner, depending on how sincere North Korea was on the nuclear issue.

Chief North Korean delegate Pak Yong-su said that unless the two requirements are met, the exchange of special envoys won't take place, though they are not preconditions for the exchange.

Emerging from the meeting, Song said it had failed to make any significant progress because of North Korea's two requirements but the two sides were considerably nearer an agreement on procedural matters of the special envoy exchange.

Defense Ministry Denies Nuclear Weapons Development

SK1510030593 Seoul YONHAP in English 0249 GMT 15 Oct 93

[Text] Seoul, Oct. 15 (YONHAP)—A senior Defense Ministry official on Thursday denied an allegation that South Korea tried to develop nuclear weapons during the Pak Chong-hui administration.

Assistant Defense Minister for Policy Chang-song said, "The government has never tried to develop nuclear weapons, even in the third republic days, and does not have facilities or data related to nuclear weapons development."

Chang made the remark when asked by reporters to comment on a recent allegation by Rep. Kang Chang-song of the opposition Democratic Party that he was told by the late President Park in September 1978 that nuclear weapons development had showed progress of 95 percent.

"We do not have nuclear reprocessing or enrichment facilities. And other nuclear-related facilities are inspected by the International Atomic Energy Agency so that we cannot produce nuclear weapons."

Seoul's position of honoring the denuclearization policy of November 1991 and the joint declaration of a nuclear-free Korean peninsula in February 1992 has not changed, he said, adding that Seoul has never considered in earnest participating in the Theater Missile Defense program.

Defense Ministry on Sending Troops to Somalia

SK1510025493 Seoul THE KOREA HERALD in English 15 Oct 93 p 3

[Text] The Defense Ministry made it clear yesterday that it is not considering dispatching more troops to Somalia for the U.N. peacekeeping operation.

"We have never considered the matter," Lt. Gen. Chang Song, director of the Ministry's Office of Policy, said. "But we will watch how things develop there."

He said that the Army had once considered dispatching armored personnel carriers (APCs) to the conflict-ridden country. "We had been considering dispatching five APCs and 10 extra infantrymen last month because of the possible pullout of Italian peacekeeping troops, who are in charge of the safety of the Korean troops. But we called off the plan because we worried the APC might give a negative image to the Somali people," he said.

Chang said U.S. President Bill Clinton recently sent a letter to President Kim Yong-sam calling for the dispatch of more South Korean troops. He said the Foreign Ministry notified the Defense Ministry of the letter Tuesday.

At present, 251 Korean Army construction engineers are engaged in road repairs in Somalia.

Kim To Speak 'Candidly' With Japan's Hosokawa

OW1410133893 Tokyo KYODO in English 1321 GMT 14 Oct 93

[Text] Seoul, Oct. 14 KYODO—South Korean President Kim Yong-sam said Thursday [14 October] he wishes to speak "candidly" with Japanese Prime Minister Morihiro Hosokawa when the two meet next month.

Members of the delegation from the Federation of Economic Organizations (Keidanren) said Kim expressed his desire in a meeting with Keidanren Chairman Gaishi Hiraiwa at the president's Blue House.

Kim was quoted as saying that while Korea and Japan have a dark history, the two countries should forge a "future-oriented" relationship.

The South Korean leader effectively confirmed reports he would meet Hosokawa in November, saying he wanted to get together with his Japanese counterpart before the two meet again at an informal summit of the 15-member Asia-Pacific Economic Cooperation (APEC) forum, scheduled to be held in Seattle in November.

Kim said he wanted to discuss "candidly" with Hosokawa about economic matters and North Korea's continued resistance to calls for it to allow international inspections of facilities suspected of being used to develop nuclear weapons.

Japanese Government sources have said Hosokawa is likely to make the visit to South Korea on November 6 and 7. Diplomats of the two countries are consulting on a location for the summit talks.

Portuguese President To Visit Seoul

SK0710025993 Seoul YONHAP in English 0211 GMT 7 Oct 93

[Text] Seoul, Oct. 7 (YONHAP)—Portuguese President Mario Soares will visit South Korea on Oct. 15, the Foreign Ministry said on Thursday.

During his four-day stay, he will pay a courtesy call on President Kim Yong-sam and visit the truce village of Panmunjom.

Soares, who visited Korea in 1974 as prime minister, is also scheduled to honor the national day of Portugal at the Taejon Expo on Oct. 16.

Meanwhile, Norwegian Foreign Minister Johan Holst will visit at the invitation of his South Korean counterpart, Han Sung-chu, on Oct. 30.

Holst played a key role in bringing Israel and the Palestine Liberation Organization (PLO) together to sign a peace treaty.

Arrives 15 Oct

*SK1510021193 Seoul YONHAP in English 0200 GMT
15 Oct 93*

[Text] Seoul, Oct. 15 (YONHAP)—Portuguese President Mario Soares arrived Friday [15 October] for a four-day unofficial visit to South Korea.

His schedule includes a meeting with President Kim Yong-sam, a day trip to the Taejon International Exposition for Portugal day, and a tour of the truce village of Panmunjom and the ancient city of Kyongju.

Soares made his first visit to Korea in 1974 as prime minister. Seoul and Lisbon have had diplomatic ties since 1961.

Talks With Kim Yong-sam

*SK1510050793 Seoul YONHAP in English 0458 GMT
15 Oct 93*

[Text] Seoul, Oct. 15 (YONHAP)—South Korean President Kim Yong-sam and his visiting Portuguese counterpart, Mario Soares, exchanged views on matters of mutual interest, such as ways to increase bilateral trade and economic cooperation and developments on the Korean peninsula Friday [15 October].

The two noted quality improvement of bilateral relations since normalization of ties in 1961 and agreed the partnership would greatly grow through the stages of the Taejon Expo and the 1998 Lisbon Expo.

Kim asked for active persuasion from Portugal, the only country in Western European to maintain diplomatic relations with North Korea, to get the closed country to open up and reform to join the global community.

He commended Portugal's democratic and economic progress after years of political turmoil and placed faith in Soares' support for better relations between Korea and the European Community.

The two also shared their experiences of struggle for democracy and talked about the ongoing democratic and economic developments in their countries.

After having lunch with Kim, Soares set out for the Truce Village of Panmunjom.

Soares' visit is to observe Saturday's Portugal day at the Taejon Expo. He will stay until Monday and is scheduled to visit Pohang Iron and Steel Co. and Kyongju before leaving Korea.

Official on Rice Tariffs, DPRK Sanctions

*SK1510031493 Seoul THE KOREA HERALD in
English 15 Oct 93 p 2*

[Text] There is no change in Seoul's policy to oppose a GATT (General Agreement on Tariffs and Trade) proposal for "tariffication without exceptions" on rice and

other 14 commodities despite Tokyo's reported agreement on opening its rice and other agricultural markets, a top Foreign Ministry official said yesterday.

He said the Japan-U.S. agreement is expected to exert much influence on Seoul's future negotiations on rice market opening, necessitating continuous watch over future developments.

But there is still room for negotiations although it is true that there are not many alternatives left for Seoul, said the official, who requested anonymity.

Seoul may have to become flexible in negotiations on other commodities to protect the rice market, he said.

He said that Tokyo has not formally notified Seoul of the results of its negotiations with Washington but that Korea has found out about them from information obtained through various diplomatic channels.

Turning to the North Korean nuclear issue, the official said Seoul will not allow the current deadlock in North Korea's talks on nuclear issues with the International Atomic Energy Agency (IAEA), the United States and South Korea to continue for very long.

But he ruled out the possibility that Seoul and Washington will campaign for U.N. sanctions very soon, saying that U.N. sanctions at this stage may not be the wisest solution.

The North Korean nuclear matter will reach another critical point at the end of this month when IAEA officials need to enter the country to change batteries and conduct other steps to keep the North's nuclear facilities under IAEA scrutiny, the official said.

If North Korea refuses to admit the officials, the U.N. Security Council will take up the issue, he said.

He rejected the North Korean demand that the United States hold a third round of high-level talks with the North without the North first clearing its problem with the IAEA, reaffirming the South's position that the communist country must engage in serious dialogue with the IAEA and South Korea before holding further talks with Washington.

In related news, the official said U.S. President Bill Clinton did not specify "combat forces" when requesting in his letter to President Kim Yong-sam that South Korea dispatch more troops to Somalia.

He simply said he hopes Seoul send troops that can participate in the current U.N. peacekeeping efforts, the official said.

The U.S. president, in addition, asked Kim to maintain its forces in the U.N. peacekeeping forces and render support at international forums toward solving the Somali problem, the official said.

He said Clinton's letter was conveyed to President Kim via the Foreign Ministry.

U.S. Official on DPRK Construction of Reactor

*SK1510013593 Seoul YONHAP in English 0124 GMT
15 Oct 93*

[Text] Washington, Oct. 14 (YONHAP)—Indications are that North Korea will complete construction of a 200-megawatt reactor in Yongbyon that Western countries fear will be used in the manufacture of nuclear weapons in or around 1995, a U.S. Government official well versed in North Korea's nuclear development program said on Thursday.

The official, who has chiefly handled North Korea's nuclear issue in Congress, said North Korea will complete a 50-megawatt reactor in the complex North of Pyongyang in several months and that other U.S. specialists agree with his view.

Under pressure from the United States and other Western countries, North Korea was said to have suspended work on the 200-megawatt reactor.

When the 200-megawatt reactor goes on line, North Korea will have enough plutonium to build 10 warheads a year with about the same destructive power as the nuclear bomb dropped on Hiroshima in 1945, he said.

Nuclear experts at the University of London had agreed with his analysis on Wednesday, he said.

Because there are many mysteries in North Korea's nuclear policy, it is very difficult for the United States to secure information for accurate analysis, he noted.

North Proposes Economic Cooperation With China

*SK1510054493 Seoul TONG-A ILBO in Korean
15 Oct 93 p 2*

[Report from Seoul NAEWOE News Agency]

[Text] A protocol on economic and trade cooperation between North Korea and China to activate border trade between the two countries was signed recently in Pyongyang. More recently the fact that North Korea's Nampo economic and trade delegation visited the Korean Autonomous Prefecture in China to discuss methods for economic cooperation is drawing attention.

The Nampo economic and trade delegation visited the Yanbian Korean Autonomous Prefecture on 11 October and met Nam Sang-pok, deputy head of the prefecture, and Kim Chong-su, chief of the prefecture's external economic and trade committee. The delegation requested that "joint venture economic and trade projects between the two cities be promoted." In this connection, Nam Sang-pok explained that the Yanbian Korean Autonomous Prefecture is also making efforts to carry out policies of reform and openness and work mainly to achieve economic construction and foreign trade. In a 13 October report by the Yanbian Broadcast, he also emphasized: "Both countries will make joint

efforts to promote friendship and develop economic and trade relations between the two cities and countries."

International Energy Conference Due in Seoul

*SK1310092593 Seoul YONHAP in English 0615 GMT
13 Oct 93*

[Text] Seoul, Oct. 13 (YONHAP)—The fifth international energy conference, Energex 1993, will be held on Oct. 18-21 in Seoul with the joint sponsorship of the Korea Institute of Energy Research (KIER) and the International Energy Foundation (IEF).

The four-day discussion will be on theme of the challenge of a new road to development, including the negative effects on the global environment of increasing energy consumption, optimum energy policy planning, and development of the latest technologies, with the exception of nuclear energy.

As many as 600 scientists, energy experts and authorities from 70 countries are expected to participate in Energex, presenting papers and exchanging ideas on rational uses of energy, new and renewable sources of energy, fossil fuels and clean technologies, environmental control and recycling, energy policies and economics.

The conference has drawn the special attention and support of the Seoul government and Taejon Expo organizing committee.

The organizers expect the forum to promote scientific and technological cooperation between developed and developing countries. Since their beginning in Canada in 1982, Energex conferences have contributed to probing potential solutions to the global energy problems.

IEF, with a membership of 76 countries, is a non-profit international body to foster world education and scientific research on all aspects of energy production, conservation and use.

Participants include An Chung-mu, KIER president, Science and Technology Minister Kim Si-chung, IEF Chairman Peter Catania, Gunnar Engstrom, chairman of Royal Swedish Academy of Engineering Sciences, P. de Sampaio-Nunes, director of energy technology of the European Community, and A. Tcheknavorian-Asenbau, acting deputy director-general of the United Nations Industrial Development Organization.

The group will tour the Expo on Oct. 22.

Olympic Committee Officials To Visit Pyongyang

*SK1310012293 Seoul YONHAP in English 0050 GMT
13 Oct 93*

[Text] Seoul, Oct. 13 (YONHAP)—Three South Korean Olympic Committee (KOC) officials will visit Pyongyang on Oct. 20 to attend a meeting of East Asian sports officials hosted by North Korea, KOC announced on Tuesday.

At the East Asian Games Association (EAGA) meeting Oct. 23-25 in Pyongyang, the eight member countries, including China, Japan and Mongolia, will discuss Pyongyang's hosting of the second East Asian Games and Seoul's possible hosting of the third games.

Yi Kang-pyong, KOC secretary-general, Pak Sang-ha, executive manager, and Yun Kang-no, director of international relations, will represent KOC at the meeting.

The first East Asian Games were in Shanghai, China, in May.

North Korea asked the KOC officials to fly to Pyongyang via Beijing, but KOC hopes they can walk across the truce village of Panmunjom and is contacting the North Korean side through Chinese officials.

Resumption of inter-Korean sports exchanges will be a major topic of discussion between the South Korean officials and their North Korean counterparts.

Inter-Korean sports relations, which once showed signs of improving with exchanges of youth soccer teams in 1990, soured again in 1991 due to political situation in and around the peninsula.

Congolese Foreign Minister To Visit Seoul 11 Oct
SK0510091793 Seoul YONHAP in English 0828 GMT 5 Oct 93

[Text] Seoul, Oct. 5 (YONHAP)—Congolese Foreign Minister Benjamin Bounkoulou will officially visit Seoul at the invitation of his South Korean counterpart, Han Sung-chu, on Oct. 11, the Foreign Ministry said on Tuesday.

Bounkoulou, during his four-day stay, will pay a courtesy call on Prime Minister Hwang In-song and have talks with Minister Han to discuss ways to further promote friendly relations between their two countries. The Congolese minister is also scheduled to tour major industrial facilities.

South Korea restored diplomatic ties with Republic of the Congo in 1990, two years before the current democratic government was inaugurated in 1992. Seoul normalized diplomatic relations with Congo in 1961 for the first time, but severed ties in 1965 after the country was communized and formed diplomatic relations with North Korea in 1964.

Hungarian Military Officer Arrives in Seoul
SK1410054293 Seoul YONHAP in English 0451 GMT 14 Oct 93

[Text] Seoul, Oct. 14 (YONHAP)—The General Commander of the Hungarian Defense Forces, Army Lt. Gen. Kalman Lorincz, arrived in Seoul on Thursday for a three-day visit to South Korea.

Lorincz is to visit Gen. Yi Yang-ho at his office later in the day to discuss ways to improve friendly and cooperative ties between the Armed Forces of the two countries.

The first top Hungarian military commander to visit South Korea since the February 1989 normalization of diplomatic relations, Lorincz will tour military units and places of interest, including the national defense logistics headquarters, the special warfare command, Panmunjom and the third North Korean tunnel during his stay.

French Environment Minister To Visit Seoul
SK1410071893 Seoul YONHAP in English 0654 GMT 14 Oct 93

[Text] Seoul, Oct. 14 (YONHAP)—French Environment Minister Michel Barnier will visit Seoul on Oct. 17 at the invitation of his South Korean counterpart, Hwang San-song.

Barnier will attend an environment seminar between Korea and France on Oct. 18 at the Hilton Hotel and give a lecture at Seoul National University.

He will attend the French national day ceremony at the Taejon Expo on Oct. 19 and give a speech at the Main Hall. He returns to Paris later the same day.

Singaporean Prime Minister To Visit Seoul 9 Nov
SK1510005793 Seoul YONHAP in English 0037 GMT 15 Oct 93

[Text] Seoul, Oct. 15 (YONHAP)—South Korean President Kim Yong-sam and Singaporean Prime Minister Goh Chok Tong will hold summit talks at Chongwadae [presidential offices] on Nov. 9.

Goh, who is due to arrive on Nov. 8, will attend a dinner party at Chongwadae in the evening, a senior government official said on Friday.

Kim and Goh will discuss North Korea's nuclear development, and the situation around the Korean peninsula and in Asia, including the Association of Southeast Asian Nations [ASEAN] and they will exchange views on their officials cooperating at the Asia-Pacific Economic Cooperation meeting in Seattle on Nov. 19-20.

Goh is likely to call for South Korea to actively participate in the ASEAN regional forum, which was agreed to be set up at an ASEAN post-ministerial conference in July.

Kim will emphasize the cooperation between Korea and ASEAN in political, economical and diplomatic areas and call for Singapore to cooperate, the official said. Goh returns to Singapore on Nov. 10.

Tobacco Sales Decrease for First Time

SK1510070193 Seoul YONHAP in English 0622 GMT
15 Oct 93

[Text] Taejeon, Oct. 15 (YONHAP)—The volume of cigarette sales in South Korea has dropped for first time in history, the Korea Tobacco and Ginseng Corp. said on Friday.

The state-run corporation's report for parliamentary inspection disclosed that tobacco sales, which had never fallen before, dropped 1 percent in the first nine months of this year from the same period last year.

The corporation sold 3,588 million packs of cigarettes in January-September, down from 3,626 million packs a year earlier. One pack has 20 cigarettes.

A corporation official attributed the decline to several factors, including expansion of smoking restrictions to subway stations, airports and large buildings, an increase in the fine for dropping cigarette butts on the street to 25,000 won (about 30 U.S. dollars) and a campaign by the Health and Social Affairs Ministry against smoking.

Turnover, however, rose from 1,998.6 billion won (2.5 billion dollars) in the nine-month period last year to 2,038.3 billion won this year, mainly because of the launch of expensive cigarettes.

Cigarette sales reached 4,818 million packs and turnover of 2,663.3 billion won last year.

The corporation official expected cigarette sales to rapidly increase in the final quarter to reach last year's figures by the end of this year.

The corporation is undertaking various sales promotions, including a "sell one more pack" campaign, with which it hopes to sell more cigarettes through retail shops.

Foreign tobacco companies increased their market share to 6 percent in January-September from last year's 5.2 percent, 5 percent in 1991 and 4.4 percent in 1990.

The corporation, in an effort to promote sales of domestic cigarettes, introduced Glory Lights in July and plans to put three new tobacco products on sale late this year.

*** Farmers Fear Agricultural Crisis**

932C0211A Seoul MAL in Korean Aug 93 pp 190-193

[By National Assembly member Kim Yong-jin]

[Text] Today's Korean agriculture is faced with such serious circumstances that they make the expression, "crisis," seem colorless. This means that our agriculture, our farmers, are suffering from a serious illness. Due to poor understanding of and policies of contempt for

agriculture, 30 years of military rule have only increased the impoverishment of the farming village and the pain of our farmers.

We commonly use the expression: The farm village is the root; the city is the flower. The farming village and the city are one body and of one family. However, in today's circumstances in which the village is drying up, the flower-city ultimately cannot help but wither also. We are already experiencing this.

With the acceleration of the nationwide population shift away from the farming village, Seoul and the new cities of the capital area are confronted by oversaturation due to the increased farm-exodus population pouring into them. They are suffering from severe sociopathological phenomenon, such as housing shortages, traffic congestion which has reached its limit, severe air pollution, a rapid increase in various kinds of urban crime, etc.

At the time of birth of the Sixth Republic in late 1987, the average debt of the farming household was 2.39 million won [W]. This increased some 240 percent during the next five years to reach its present level in 1992 at W5,683,000. The total amount of impossible-to-repay farm debt is W10 trillion. Also, with an agro-fishery import liberalization rate of 89.2 percent, farmers have no crops to try planting nor profitable replacement crops. An annually repeated, vicious cycle of sharp increases and decreases in the price of agricultural products, which helps no one—neither farmer nor urban consumer, is resulting.

This is threatening our food security particularly since a total opening of agricultural markets by 1997 appears to be unavoidable and our present foodstuffs self-sufficiency rate is only 35 percent. Unable to endure the repeated failures of past farm policy, over 500 thousand farmers are giving up on farming and "leading the way from the farm" every year. Thus, the present farming-village population is only 13 percent of Korea's total population, 5.7 million. This means that during the last five years over 2 million people, an incredible number, have left the farming-village.

In this crisis and with the birth of a civilian government pursuing change and reform, our farmers are hoping for the adoption of epoch-making agricultural policy. It is true that President Kim Yong-sam's farm-policy proclamation, "From a farming and fishing village whose people are leaving to one with people coming in," caused a faint sense of expectation. However, having been exposed to the composition of the government's recently-announced new farm policy, farmers are again puzzled and extremely angry.

The main outline of the government's new farm policy is as follows. First is to strengthen the international competitiveness of agriculture through the structural reformation of the farming/fishing village by 1997, to prepare for the Uruguay Round (UR) negotiations. Second is the reorganization of the grains system, the main points of which are a reduction in the amount of rice purchased by

the government and control of inflation in government buyout prices, and vitalization of civilian-distribution functions. Third is to secure the international competitiveness of Korean rice by improving the farmland system overall, concentrating the foundation of rice production in agricultural-promotion areas and relaxing restrictions on diversion of farm lands to other uses outside these areas.

The government announced "Farming/Fishing Village Structural Improvement Measures" to prepare for the internationalization and liberalization of agriculture; it decided to invest W42 trillion in farming and fishing villages during the ten years from 1992 through 2001. The problem, however, is that although the government announced a W42 trillion investment plan for its Farming/Fishing Village Structural Improvement Measures, these are merely external figures. Of the W42 trillion the government intends to invest, W16.4915 trillion will be subsidized by the national treasury, W18.962 trillion will be financed, W3.7916 trillion will be provided for by local government, and W2.5128 will be supplied by the farmers and fishermen themselves. Of this, the W18.962 trillion in financing is in withdrawn funds; as an investment in low-interest financing, the real benefit farmers will get from this is only the W1.32 trillion difference (6 percent) between household-loan interest rates (11.5 percent) and farm-loan interest rates (5.5 percent).

Thus, the lack of a plan to secure the W42 trillion in financial resources to be invested in the Farming/Fishing Village Structural Improvement Measures is the new farm policy's most serious problem. Many agricultural policies were announced during the last administration too. However, many of these just dwindled away to nothing after a promising beginning. Therefore, for the new farm policy's Farming/Fishing Village Structural Improvement Measures to be able to contribute to the improvement of our agriculture's international competitiveness in preparation for the UR crisis, someone must come up with an epoch-making plan allowing the whole W42 trillion to be invested in the shortened period lasting until the end of 1997. Also, it must be acknowledged as a credible plan.

The problems of the grains system too are severe. Rice farming makes up 44 percent of agricultural earnings and 23 percent of farmers' income. Together with stock raising, it is the last strong hold able to preserve Korean agriculture. Improvement of the government's grains system is only possible assuming that seasonal fluctuations in rice prices will be permitted, that the release price of government rice will be rationalized and that there will be determination at the national-sovereignty level to prevent the opening of Korean markets to rice imports no matter what.

On several occasions, the government has made its position abundantly clear that Korean markets cannot be opened to rice imports. President Kim Yong-sam in particular even promised the Korean public that he would stake his job on stopping the import of rice. In

spite of these announcements by government authorities, the public cannot conceal its vague sense of anxiety. Visible measures concerning the government announcement are needed at this time.

In a meeting of the Agriculture, Forestry, and Fisheries Standing Committee last 8 July, in connection with President Clinton's visit to Korea for the purpose of achieving an early compromise settlement for the UR negotiations, this writer and other opposition-party committee members proposed the signing of a rice-import opposition statement and position clarification at the level of "Rice-imports Opposition Measures Subcommittee" set up in the Agriculture, Forestry and Fisheries Committee of the National Assembly. However, the ruling Democratic Liberal Party [DLP] insisted on diplomatic courtesy extended to a head of state, ignoring the opposition's position and, through superior numbers, opposed it, completely rejecting the proposal to make an official clarification of the Assembly's determination to oppose the opening of the rice market. Only this writer, who is an executive secretary, representatives Kim In-gon, Yi Kyu-taek, Yi Kil-jae, Yi Hui-chon, Choi Rak-do, and Choi Uk-chol from the Democratic Party [DP], with Rep. Cho Il-hyon from the National Unification Party and independent Rep. Chong Tae-yong, opposition members of the National Assembly, were compelled to hold an emergency meeting the day President Clinton was to give his speech to the National Assembly and held a joint press conference, clarifying our opposition to opening the rice market.

In this day's meeting, at first opinions were stated on various expressions of protest, such as non-participation in the audience for Clinton's presidential speech, united shouting of a protest slogan, group walkout, etc. In consideration for our national pride, however, we agreed to express the urgent desire of our farmers using rational and respectful means. We chose two themes, "Rice is the spirit of our people" and "We strongly oppose the import of rice," made pickets—60 cm across and 20 cm high—with these written on them, and protested by setting them up in the seats of opposition members of the Agriculture and Fisheries Committee.

At about 1500 on the day of the speech to the National Assembly, this writer and other members of the Agriculture and Fisheries Committee had to hide our small pickets inside our clothes as we entered the main hall because security around President Clinton was very tight. That day's picket demonstration by this writer and other opposition members of the Agriculture and Fisheries Committee was covered by the world's prominent media. Thus, we were able to effectively convey our intent to all of America. This was an event which awakened us to the importance of hindering the opening of our rice markets, not with words and slogans alone, but with action.

Because of the grains management fund special account deficit [GMFSAD], the government has been controlling inflation in the cost of the rice it purchases and has stuck

to its position that it is impossible to increase the quantity of these purchases. It has passed on the burden for this to the farmers. However, analyzing the causes of the GMFSAD, interest on grain securities makes up a whole 39 percent of the W6.9 trillion deficit. This is only the cumulative-increase amount which would not have been incurred had the government not issued grain securities from the grains management fund, but instead appropriated it as world-surplus funds from the general-account budget. The grain-sales losses too, making up 50 percent (W3.5 trillion) of the GMFSAD, actually occurred during the price-policy implementation process. This policy was a pretext for rice-price stability rather than a price support for the producing farmers. Thus, the GMFSAD cannot become a reason for delaying the improvement of the grain-administration system.

Last June 25th, the government opened price-policy meetings of the economic departments, producing laughable scenes, such as the designation of the watermelon and horsetail fish as the main culprits behind inflation. For the vitalization of private-sector rice-distribution functions, more than anything else, rice must be excluded from the list of "price-management items" through a fundamental transformation of price policy. Also, government-rice release prices must be made reasonable and seasonal fluctuations in the price of rice must be permitted.

The new agricultural administration, however, only promotes control of government buyout prices and a reduction of buyout quantities without presenting a concrete counter-plan concerning this problem. It intends to leave the civilian market to private-sector distribution functions. However, the government's dumping of problems on the civilian market is an evasion of its responsibility concerning grain policy and arouses suspicion that this measure was taken to prepare for the opening of the rice markets.

The government revealed the fiction of its new agricultural administration in last 6 July's price-policy meeting when, even though it had been saying that it would vitalize the functions of the civilian market by rationalizing government-rice release prices and by permitting seasonal fluctuation of rice prices, it announced that it would hold down increases in the price of rice by greatly expanding the amount of government-released rice from 60 thousand bags to 100 thousand bags daily. Based on the price of second-grade government rice, the price of production-area rice has fallen W25,000 per 80 KG bag. If 20 million sok [A unit of volume. 1 sok = 5.12 U.S. bushels] is entrusted to market distribution, nationwide our farmers will suffer a W500 billion loss.

The maintenance of complete self-sufficiency in rice production is essential for providing the Korean people with a stable supply of rice. Thus, a minimum of farm land needed for food security and rice self-sufficiency absolutely must be preserved. The farmland system to be

promoted by the new agricultural administration contains the intention to ultimately shrink agriculture by reducing farm land and rice production. There is great concern that this will ultimately make the import of rice unavoidable.

Rice-cultivation area was reduced from 1.26 million hectares [ha] in 1988 to 1.156 ha in 1992. Even going by government statistics, rice-cultivation area will drop to below 1 million ha in 1998. In spite of this reality, the agricultural-promotion areas announced by the government amount to 1.8 million ha, only 48 percent of the total 2.9 million ha of farm land. In the agricultural-promotion areas, in particular, lowland rice-paddy acreage required for rice production is only 720 thousand ha. This is only 54 percent of total rice-paddy acreage.

The New Economy frees control of business activity and relaxes various administrative regulations, allowing city and county mayors to divert farm lands to other uses if they only report this. It is predicted that a rapid reduction in farm land will result, making it appear that this situation will grow even worse.

The government has been maintaining that it "absolutely will not open the rice market, our basic foodstuff, at the UR negotiations." However, even if the government protects the rice market at the UR negotiations, the present farmland system will destroy rice self-sufficiency. The prospects are that the opening of the rice market will become unavoidable due to this. This is drawing near to the approach of GATT secretary general Dunkel's proposed amendment calling for a 3 - 5 percent minimum market opening. This writer wishes to point out that it is on this point that the agricultural-promotion-areas system is causing people to suspect that it is a measure adopted to prepare for the opening of the rice market through the reduction of farm land and rice production.

Apart from its simple productive function, the environmental-protection functions of farm land are tremendous, such as flood-control capability amounting to 1.5 times that of the nation's six dams and soil preservation. Particularly, farm land must be secured in preparation for rice production after unification. Based on 1990 figures, North Korea's rice shortage is estimated at 1.43 million tons. A minimum of 650 thousand ha of farm land will be needed to meet this demand. the improvement of the grains-administration system is an extremely important issue which naturally must be considered transformational, at the level of securing food for our 70 million people in preparation for the unification of North and South Korea. Finally, we will point out several problematic points of the new agricultural administration's livestock policy.

Together with rice, cattle raising is the last stronghold of Korean agriculture. It can be said of cattle raising in particular that, of domestic agriculture, it is the strategic item able to secure international competitiveness.

Having witnessed the Fifth Korean-American Beef Negotiations last 26 June, this writer cannot help but be gravely concerned.

The greatest problem in the agreement drafts of both countries was the fact that they agreed to "remove surviving import limitations and bring it into conformity with GATT regulations." In a state in which markets are already 60 percent open, the removal of surviving import limitations signifies a demand for the opening of even the remaining 40 percent. Judging from the quantity of beef imports for the last three years, the government has imported twice the quarterly amount.

In this round of negotiations, the government agreed to a quarterly amount of 99 thousand tons. However, with 1993 beef-consumption estimates at 220 thousand tons, 180 thousand to 190 thousand tons of beef were imported. Without a special government policy to deal with this, the result has been that it has already effectively agreed to a 80 - 90 percent market opening. Ultimately, this gives us advanced warning of a total market opening in 1997. Thus, even if the results of the Fifth Beef Negotiations were not completely humiliating, it is clear that they will result in losses for farmers and cattlemen and in the destruction of the foundation of our stock-raising industry.

To this, we of the Agriculture and Fisheries Committee strongly demand the total nullification of the provisionally-signed draft agreement. The new agricultural administration announced that it would maintain a beef-self-sufficiency rate of over 50 percent up through 1997. However, due to the results of these negotiations, the new agricultural administration's cattle-raising policy showed its own falsehood. Even if beef imports were excessively promoted for price stability, in the future, livestock policy must be transformed and contribute to the formation of a foundation for the livestock industry and for the maintenance of self-sufficiency.

There is probably no one who would disagree with the statement that today our farming villages are in a severe crisis. Welcoming, after 30 years, an era of a civilian government speaking of change and reform, we stand at an important crossroads: "Will it save our agriculture and our farmers? Or will it abandon them as they are?" Agriculture: a key industry of the nation and the lifeline of the people. One cannot judge its value simply as wealth when one considers the food-security and environmental-preservation functions of agriculture, and its special characteristic of being directly linked to national security. To put it another way, the tremendous value of agriculture as public wealth must never be overlooked. The government authorities must correctly understand that the reason expenses for the protection of agriculture are greater in the more advanced societies, such as the United States, EC, and Japan, is that they more highly esteem the public-wealth functions of agricultural production.

It is absolutely impossible for us to become an advanced nation while we abandon or neglect our agriculture. This writer wishes to point out that it is only proper that, in order to gain real effectiveness from its policy of sacrificing the farming village, the new agricultural administration must accept the reasonable alternative proposals of the producing farmers and others, and must reexamine its plans. This is because, in an era of civilian government pursuing change and reform, the new agricultural administration must not again become the subject of reform.

Companies Compete for Helicopter Development

SK1510005293 Seoul HANGUK KYONGJE SINMUN in Korean 5 Oct 93 p 8

[Text] The Defense Ministry has established a policy to change its plan for the Korea Light Helicopter [KLH] program from license production of a model developed overseas to joint development through technical cooperation with a foreign company.

Fierce competition is expected among Daewoo Heavy Industries, Samsung Aerospace, and Korean Air to be chosen as the KLH developer.

Daewoo Heavy Industries, the prime contractor for the license production of the light combat helicopter, is preparing a concrete development plan while asserting that it should still own the right for the business in the case of joint development. On the other hand, Samsung Aerospace and Korean Air are lobbying for the business right as the prime contractor may change if joint development is confirmed.

Bell Corporation, a U.S. helicopter manufacturer, is making a move to participate as a foreign partner by submitting a sales application for its OH-58D helicopter to the Defense Ministry. Thus, hot competition is also expected among foreign developers.

On 24 September, Daewoo Heavy Industries held a research and development seminar with the Agency for Defense Development for the joint development of a light combat helicopter. Daewoo also had an internal meeting in Changwon on 25 October in accordance with the Defense Ministry's request to submit a KLH business plan by mid-October incorporating changes from license production to joint development.

Daewoo is strongly insisting that it should be the Korean prime contractor even if the KLH is to be carried out under joint development.

Daewoo is asserting that it was selected as the prime contractor in July 1990, before the decision was made to produce the KLH under license in March 1991, therefore, the selection of the prime contractor is still effective even if license production is changed to joint development.

Daewoo also emphasizes that the KLH, Korea Fighter Program, and heavy helicopter program have been

evenly awarded to Daewoo Heavy Industries, Samsung Aerospace, and Korean Air respectively, and that no matter what decision is made regarding the arms acquisition method, the KLH should be awarded to Daewoo. On the other hand, Samsung Aerospace and Korean Air anticipate that the Defense Ministry will reselect the Korean developer because development capabilities have to be reevaluated in the case of the joint development of the KLH.

It is also notable that Samsung Aerospace is preparing for the joint development of the KLH by concluding an alliance agreement with Aerospatiale.

Although Samsung is saying that the alliance with Aerospatiale is aimed at the commercial market, including supplies to its affiliates, the industry feels that Samsung's participation in the commercial helicopter business is targeted for military demand, which is a larger market.

Samsung Aerospace is working on importing Dolphin choppers from Aerospatiale of France. It has also decided to set up a chopper maintenance center. On 15 September, Yi Kon-hi, chairman of Samsung Group; and Yi Tae-won, president of Samsung Aerospace; met with (Galua), chairman of Aerospatiale; to discuss ways for cooperation in the helicopter business.

In the meantime, Korean Air thinks it has the most competitive edge in the selection of the joint developer citing its experience in producing the 500MD and UH-60 choppers under license.

Although Korean Air has not yet made an official statement, it has revealed its intention to participate if the decision is made to carry out the KLH under joint development as the project includes follow-up orders for the 500MD's.

The Defense Ministry says the joint development of the KLH has not yet been confirmed.

The Army internally requested direct purchase of more than 30 light combat choppers for emergencies considering that it takes seven to 10 years for joint development. Direct purchase, however, seems impossible because the government puts priority on domestic development or production with foreign technology.

In addition, the Defense Ministry sees license production of emergency demand uneconomical due to the small quantity. In relation to this, Korean Air is known to have proposed the supply of its 500MD's.

The submission of a sales application by Bell of the U.S. is another variable of the joint development project. In July, Bell submitted a sales plan to the Defense Ministry for the emergency demand of more than 30 light combat choppers.

If a third company, including Bell, is selected as a foreign partner of the joint development, opposition is also expected from the foreign companies, including Eurocopter Deutsche and Agusta, that are selected as partners for license production.

The industry regards the Defense Ministry's plan to change the KLH as its move to categorize military aircraft manufacturers by speciality.

The industry speculates that the Ministry intends to unify aircraft manufacturers to one each in fixed wing and rotor wing categories or one for all.

Thus, the industry analyzes that the selection of a joint developer is also related to the aerospace industry revision policy of the Ministry of Trade, Industry, and Energy to be announced at the end of this year.

Trade Official Says Holidays Damage Economy

*SK1510032093 Seoul YONHAP in English 0242 GMT
15 Oct 93*

[Text] Seoul, Oct. 15 (YONHAP)—Too many holidays hurt production and exports, and employees are distracted before and after holidays so the quality of their work suffers, the Trade, Industry and Energy Ministry said on Friday.

South Korean workers have between 117 and 127 days off a year, including Sundays and 17 legal holidays, compared with 102 to 124 days in Taiwan, 96 to 103 days in Singapore, 117-127 days in Japan, 132 days in the United States and 147 days in Germany.

The average of the world's 80 major nations is 13.4 legal holidays a year.

Two consecutive days off for the New Year and three for the Lunar New Year lowered exports by 950 million dollars this year, and a day off is estimated to cut production by 790 billion won and export by 250 million dollars, respectively the officials said.

Workers are entitled to one day off a month in addition to legal holidays and Worker's Day under the Labor Standard Law. They have to attend reserve troops training 26 hours a year or civil defense exercises eight hours a year if they are younger than 50.

Teachers Union Yields to Reinstatement Condition

*SK1510103493 Seoul YONHAP in English 0631 GMT
15 Oct 93*

[Text] Seoul, Oct. 15 (YONHAP)—The National Teachers Union has virtually accepted the government's position that teachers fired for joining the union must leave the union before applying for reinstatement.

Union President Chong Hae-suk told reporters on Friday that the union had decided to let most members apply for reinstatement by meeting the government's condition of leaving the union in order to return to their schools to conduct educational reform and legitimize the union.

"This does not mean we have accepted the government's policy on the reinstatement of expelled teachers, nor do we mean to settle the reinstatement problem," Chong said.

"We're studying how many and who should apply for reinstatement, and we'll persuade even those who refuse to apply, because of the government's condition, to return to school," she added.

The expelled teachers will apply for reinstatement before the government-set deadline of Oct. 28 and many will file their applications around Oct. 25, she predicted.

Burma

SLORC's Talks With Kachin Organization Viewed

BK1510063793 London BBC in Burmese to Burma
1345 GMT 14 Oct 93

[Commentary by Larry Jagen]

[Text] The military authorities of the SLORC [State Law and Order Restoration Council] have been enthusiastically announcing the agreements it reached with one armed indigenous organization after another. Eight indigenous organizations, among them the Shan State Progress Party, Pa-Lo National Organization, and Wa Unity Party, had reached agreement with the SLORC after holding talks.

Currently, the SLORC military authorities are claiming that an agreement has been reached with the Kachin organization—one of the important indigenous organizations. However, the Kachin Independence Organization [KIO], which represents the Kachin nationals, claimed differently. Larry Jagen, tried to find out what is actually happening.

In a statement to the press on Wednesday, the Kachin organization denied that an agreement has been reached between the SLORC and the KIA [Kachin Independence Army]. The statement says that no political or military agreement has been reached with the SLORC. The organization said that the talks with the SLORC has been part of the strategy aimed at halting the civil war and fighting that had been going on for decades.

According to Kachin circles along the Thai-Burma border, the Kachins had been observing a cease-fire since a year ago in the areas under their control and held four rounds of talks with the SLORC in Myitkyina since the beginning of this year. The same source says that there were prospects for reaching a military agreement in the last round of talks. It was also learned that the two sides reached a better understanding and were almost able to solve many problems. It was stated further that the understanding reached was not aimed at signing the joint peace agreement but an attempt to obtain an agreement for a nationwide cease-fire.

The Kachin organization had to explain their stance following an announcement by the SLORC that the Kachin organization had returned to legal fold after signing a peace agreement. Early this week, SLORC's Foreign Minister U Ohn Gyaw announced at the United Nations that a peace agreement has been reached with the Kachins. U Ohn Gyaw announced at the UN that it is hoped that Kachin representatives, like other indigenous groups who had signed agreements with the SLORC, would participate in the National Convention.

The National Convention is currently in recess, and it is scheduled to reconvene in January next year. The National Convention was held to lay down guiding

principles to draft a new constitution. The observers view the convention as a ploy of the SLORC to divide and control the opposition from indigenous people. For instance, following the SLORC's announcements on its talks with the Kachins, there were some deleterious reaction among the indigenous opposition.

According to Kachin representatives who attended the talks, the SLORC said the SLORC government would hold peace talks immediately with the representatives of the entire indigenous movement if they drop preconditions for the peace talks. The preconditions sent by the indigenous movement were that the talks be held outside Burma; inclusion of UN observers in the talks; and release of all political prisoners, including the opposition leader, Daw Aung San Suu Kyi. However, the SLORC had consistently said that it did not wish to hold talks with the DAB, Democratic Alliance of Burma. Included in the DAB were representatives of students who went underground following the brutal suppression of the 1988 democracy movement by the military and representatives from the opposition elected in the 1990 elections.

It appears that the SLORC is prepared to hold talks with the Karen, Karenni, Mon, and Kachin nationals. It was believed that such a stance was presented in the latest round of talks with the Kachins. However, the indigenous nationals, with the exception of the Kachins, are saying that they cannot put aside their preconditions in holding talks with the SLORC.

In the last two weeks, the Karen leaders had issued statements stating their opposition to changes. Saw Bo Mya, leader of the KNU [Karen National Union], said the preconditions set by the DAB are not negotiable. However, in expressing their private views, some top-level Karen leaders said some of the preconditions can be set aside.

The problem also arises as to the venue for talks. The SLORC is not likely to agree to hold talks outside Burma. It is believed that the SLORC had already suggested possible venues inside Burma for holding talks with four indigenous groups. A leading Karen member said that it is possible that the KNU would accept a venue inside Burma. Although some inside the DAB are accusing the Kachins as traitors, the indigenous opposition organizations are actively discussing the ways and means of achieving progress. Therefore, the observers believe that there is the best prospects for nationwide cease-fire at the moment. Authorities in Thailand are also urging the indigenous groups to hold peace talks with the SLORC.

Communists Surrender to Sakhantit Garrison

BK1410145893 Rangoon Radio Burma in Burmese
1330 GMT 14 Oct 93

[Text] Members of terrorist insurgent organizations who have realized their wrongdoings and accepted the work being undertaken and the genuine goodwill of the State

Law and Order Restoration Council have been giving up their armed struggle and surrendering at various military camps.

On 30 September, Company Commander Soe Soe, 21, and Privates Kalapein, 30, San Aung, 23, and Tin Wan, 32, from the BCP [Burma Communist Party] White Flag Communist faction of the Tenasserim region, surrendered to the Sakthantit Garrison. They brought along one 9 mm pistol, one magazine, 23 bullets, one M-16 automatic rifle, one M-16 magazine, 235 rounds of ammunition, three AK-47 assault rifles, three AK-47 magazines, and 85 rounds of ammunition.

It has been learned that the surrendering insurgents were warmly welcomed by responsible personnel at the camp.

Health Minister, Delegation Depart for Mexico

*BK1410143093 Rangoon Radio Burma in Burmese
1330 GMT 14 Oct 93*

[Text] At the invitation of Mexican Health Minister Dr. Jesus Kumate Rodriguez, a Myanmar [Burmese] delegation led by Health Minister Vice Admiral Than Nyunt left Yangon [Rangoon] for Mexico this evening on a Thai International Airways flight. They will study activities and projects being carried out with UNICEF funds and attend National Health Week, to be held in Mexico from 18 to 22 October 1993.

On the way home, the Myanmar delegation will hold discussions and study health facilities and activities at the University of California, Los Angeles and in Tokyo, Japan.

Brunei, Malaysia & Singapore

Brunei

Singapore's Lee Kuan Yew Continues Visit

BK1410123593 Singapore THE STRAITS TIMES in English 14 Oct 93 p 1

[By Cherian George in Bandar Seri Begawan]

[Text] Bandar Seri Begawan—The West denied China the honour of hosting the 2000 Olympics in order to cut the emerging power down to size, Mr. Lee Kuan Yew said yesterday. The Senior Minister also called the reaction to China's recent nuclear test a case of China-bashing by the Western media. He was speaking to Singapore reporters covering his Brunei visit.

Asked about Beijing's failure to be chosen as the host city for the Olympic Games in the year 2000, he said:

"America and Britain succeeded in cutting China down to size. They showed that despite all the talk of imminent greatness, China was not able to muster half the votes of the International Olympic Committee."

Beijing lost by two votes to Sydney last month after many in the West—including the United States Congress and British Foreign Secretary Douglas Hurd—came out strongly against the Chinese capital.

Mr. Lee said: "The apparent reason was 'human rights'. The real reason was political, to show Western political clout." He said that dissidents in China—including Mr. Wei Jingsheng, who was released after 15 years' jail—were themselves in favour of the Games going Beijing's way.

"If you believe the victims of their human rights abuses, you should give the Olympics to China to help human rights," Mr. Lee said.

During the 20-minute press conference at the Istana Darul Taqwa guest palace, he was also asked for his views on China's explosion of a nuclear device last week—a move criticised by the West as jeopardising the proposed test-ban treaty.

"It is China-bashing by the Western media portraying China as a belligerent power," he said.

"China has exploded 90-plus nuclear devices, compared with over 900 by the US. If one additional nuclear test can be so damaging to the environment, the West would not immediately have talked of resuming their testing after the Chinese explosion."

On the on-going talks on Hong Kong's political future—another event that has been testing China's relations with the West—he said that these were of less concern to Singapore and the region. He noted that President Bill Clinton was not linking trade concessions for China with its conduct over Hong Kong.

"If the US was involved, then we would have been affected. When it is a British-China squabble, damage to third parties will be limited," he said.

Malaysia

ASEAN Cooperation in Services Industry Urged

*BK1410140593 Kuala Lumpur BERNAMA in English
0821 GMT 14 Oct 93*

[By Azman Ahmad Termizi]

[Text] Kuala Lumpur, Oct 14 (OANA-BERNAMA)—Malaysia will support any move to step up cooperation in the services industry at the ASEAN level, its minister of international trade and industry, Rafidah Aziz said.

If there are any areas of services that ASEAN is willing to liberalise... Why not. I think we should be positive about it, she told BERNAMA. The association of Southeast Asian Nations (ASEAN) groups Brunei, Indonesia, Malaysia, Singapore, the Philippines and Thailand.

Deficits in services in the current account of balance of payments of ASEAN countries are seen as a major

concern. With the exception of Singapore and the Philippines—Indonesia, Malaysia and Thailand—are experiencing rising deficits as they rely on foreign service supply. But despite concerns on the importance of the services industry and amidst calls to open up the industry worldwide, ASEAN trade officials feel that the six-country grouping will take several more years before it is prepared to check the deficits.

There has been no official proposal made within the six-country grouping so far to step up cooperation in the services area, the minister said. Even the ASEAN economic ministers, who wrapped up their 25th meeting in Singapore last week with strong signals that the ASEAN Free Trade Area (AFTA) will become a reality much earlier than expected, did not touch on the services industry.

One Malaysian trade official noted that ASEAN would not in the foreseeable future include services industry in its meeting agenda. Services is slightly more difficult as compared to goods. We have to study first, he said stressing that ASEAN trade was still dominated by trade in goods. He said that ASEAN would focus on the Common Effective Preferential Tariff (CEPT) scheme, the mechanism that works towards the realisation of AFTA, first, before looking at the services industry.

The General Agreement on Tariffs and Trade (GATT) was set up in 1947. And it only started talking about services in 1986. Tell me how many years it is taking to look at services?, he asked. Maybe the success of the CEPT scheme will make us more confident to look at other areas. In ASEAN, we need to get the confidence first, he added.

Current developments, however, are suggesting the need for ASEAN to address the issue fast following the enormous potential for further expansion in the services trade within ASEAN, given the uptrend in specific trades such as financial, tourism, professional and labour services and telecommunication services. Malaysian Finance Ministry secretary-general, Sheriff Mohamed Kassim told a conference here recently that as ASEAN was liberalising their markets in the goods area, cooperation in services was seen as the next logical step.

It is good for the ASEAN countries to prepare early. Sooner or later, the impetus to liberalise will come under the GATT and its proposed sister framework of general agreement on trade in services (GATS), one senior trade official from Thailand said at the meeting in Singapore.

Rafidah agreed that ASEAN should focus on the CEPT scheme first but was quick to add that in the near future, the grouping had to look at the services industry.

Firms Involved in Aerospace Venture With Europe
BK1510092693 Kuala Lumpur BERNAMA in English
0823 GMT 15 Oct 93

[Text] Kuala Lumpur, Oct 15 (OANA-BERNAMA)—Twenty-four local small and medium scale industries

have been identified so far to tie the knot with their potential European partners for joint ventures in the aerospace industry, FMM [Federation of Malaysian Manufacturers] deputy executive director, Lee Cheng Suan said Friday. They (companies) come from a wide range of activities including foundry, electronics, casting and airfreight, said Lee. He did not discount that the list also included public listed companies and joint venture companies between Malaysian companies and foreigners.

Singapore

Editorial Views UN Peacekeeping in Somalia, Haiti

BK1410135793 Singapore THE STRAITS TIMES in English 14 Oct 93 p 26

[Editorial: "Heed Lessons of Somalia"]

[Text] What is made of the record of the United Nations peacekeeping mission in Somalia depends on what is made of the situation that caused the intervention. When Somali children were dying on the streets as bands of marauders fought a clan-based civil war around them, the US was complimented for spearheading a multinational force by sending hundreds of Marines to protect relief aid by seizing Mogadishu's harbour and airport. That was on December 9 last year. In 10 months, the UN mission in Somalia, and particularly the US presence which underpins it, has become the target of accusations that someone is trying to recolonise Somalia. Not only that. An attack, said to be the work of followers of fugitive warlord General Mohamed Farah Aideed, left 24 Pakistani peacekeepers dead in June this year; earlier this month, 13 US peacekeepers were killed in an ambush. In between, other UN personnel have died in the line of duty. So have Somalis, too, for example when, after the attack on the Pakistani troops, UN forces fired on demonstrators being used as human shields by the warlords. This is the price of a civil war. What is happening, unfortunately, is that when UN troops pay the price, fewer voices rise up in commendation and more in condemnation. Especially where the US presence is concerned, it is suggested that the price of intervention is the creation of the next Vietnam.

To say this is not to argue that every facet of the peacekeeping has been proper. Perhaps it would have been better if the UN had concentrated on trying to mediate a political solution to the conflict instead of hunting down Gen. Aideed. However, it remains a moot point whether the canny warlord, held responsible primarily for the massacre of UN troops, would have been amenable to a political solution without the military pressure that was brought to bear on him. More important, without the international intervention, the winner of the civil war would have been in doubt—there are many warlords in Somalia's warlike society—but the loser would not have been difficult to identify: a

starving, ravaged Somali people. The UN needs to be thanked for preventing that.

Given the situation in Somalia, US President Bill Clinton has come up with a strategy that, while increasing the US presence there immediately, offers a clear timetable for an American pullout. Simultaneously, Washington has refocused its aims, shifting from an all-out attempt to capture Gen. Aideed to a desire to pave the way for a political solution in which he will figure. Overall, the aim is to bring neighbouring countries into the picture so as to find an African solution to the Somali problem.

No two humanitarian crises are the same, but a point or two could be made about the larger lessons of the international intervention in Somalia. Those lessons were reinforced by the disastrous attempt to land a US military assistance mission in Haiti this week as part of a UN-brokered agreement reached last July. What seems to happen often is that the overwhelming presence of troops from one country in a UN mission gives it the appearance of being a mission mounted by that country. Ideally, the answer is the presence of a UN standing army, made up of volunteers from a variety of nations and under UN command, to carry out humanitarian and peacekeeping work swiftly. Such intervention would be easier on nationalist sentiments. However, in the absence of a permanent UN army, the world cannot but fall back on the need to keep the powers, especially the US, engaged in peacekeeping missions. If Somalia and Haiti are precursors to the kind of response the US can expect, Washington cannot be blamed for rethinking its policies of engagement in such conflicts. The results of that, to say the least, are worrying in an international order which is far less stable than it was in the Cold War era.

Cambodia

Ranariddh Interviewed on Government Policy

BK1510072393 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 11 Oct 93

[Interview with Prince Kromluong Norodom Ranariddh, first prime minister of the Kingdom of Cambodia, by an unidentified French radio reporter in Paris; date not given—recorded; read by announcers]

[Text] [Reporter] My respect to Prince Kromluong. Please tell us about your activities at the United Nations. What have you done regarding Cambodia's construction and its policy concerning international issues?

[Ranariddh] First, I, Norodom Ranariddh, first prime minister of the Royal Government of the Kingdom of Cambodia, would like to express my sincere thanks to you, the representative of Radio France Internationale, for this interview.

Concerning your question on the visit by the Cambodian royal government's delegation to the 48th UN General Assembly, I would like to stress to you that this was the first time that our delegation attended the UN General Assembly following the elections, the drafting and approval of the Constitution, the signing of the royal decree to promulgate the Constitution by His Majesty [H.M.] the head of state and King Father, and after the unanimous election of H.M. as king of our Kingdom of Cambodia who then appointed the two prime ministers.

In my speech made in the name of the Cambodian people, of H.M. King Norodom Sihanouk Varaman, our Cambodian king, and of our Cambodian royal government, I, first of all, informed the international community and the United Nations of the UN mission headed by His Excellency [H.E.] Yasushi Akashi that enabled the Cambodian people to enjoy their rights to express their views and select their own representatives after the war that has caused countless misery to the people. Moreover, I took that opportunity to inform the world that there are problems awaiting a solution in our Cambodia, especially the problem of security linked to the fact that the Khmer Rouge group has not yet taken part in our national society.

I would like to inform you that we invited the Khmer Rouge group to a discussion. After an agreement was reached, the Khmer Rouge said that they were a faction just like all other Cambodian factions. I would like to inform you that after the promulgation of our Constitution and turning our Constituent Assembly into the National Assembly, that is the National Assembly with the king selected and Royal Government appointed in line with the law and the Constitution, we must stop talking about factions. We must speak about the state and the legitimate state authorities. Anyone staying outside the law is regarded as a rebel.

Speaking about the Khmer Rouge group, I have said that the Royal Government's stand is very clear. It remains the same. We are always ready to accept the Khmer Rouge group into the Khmer Royal Armed Forces, that is the national armed forces, and as an adviser to the Royal Government. We must not speak about members of the Royal Government. This is because it is clearly stipulated in the constitution that to become a member of the government, one must belong to a political party that has representatives in the National Assembly. This matter is very clear.

What we want in return from the Khmer Rouge, as I clearly mentioned in my speech at the United Nations in New York, is that first of all, they must recognize our Constitution. H.E. Khieu Samphan has acknowledged this. He paid a courtesy call on the king. The Khmer Rouge must first recognize the Royal Government; if they do not recognize the Royal Government, it would be improper for them to become an adviser to our Royal Government whose official existence they do not recognize.

Furthermore, we no longer talk about factions. The roundtable talk will be between representatives of the legitimate royal government and a Cambodian group. This is a stand that we must specify clearly.

Finally, we have said clearly that the Khmer Rouge group must behave just like other previous factions, such as the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC], the Khmer People's National Liberation Front, and the former State of Cambodia which have merged into a single army and formed a government. That was one of the points I made at the United Nations.

Second, we understand that no matter what success the United Nations achieved in our Cambodia, we still need the presence of the United Nations. Why? It is because, first, 100-percent security has not yet been established in our Cambodian state. Insecurity still exists in the countryside, in cities, and along the border. Second, we want strict respect for the constitution and not just have it written. Third, demining is a very big problem in our Cambodia. Millions of mines in Cambodia have not yet been disarmed. That is why we need to provide security for our Cambodian children now and in the future, to prevent them from stepping on land mines while traveling or working the land. Furthermore, we need a vast area of land. Another problem is development. Our national development is a very important issue. It is called national restoration.

As is known to all, the Tokyo conference was a big success. They promised to give us up to \$880 million in aid. Moreover, the conference of the international committee for the reconstruction of Cambodia held a few weeks ago in Paris was also quite a big success. This is why the pledge for us seems to be over 1 billion, over \$1 billion. Recently, Their Excellencies Sam Rangsi and Cham Prasit signed agreements with the World Bank and so forth.

Therefore, we need the UN presence, such as agencies like UNICEF and so forth. To be honest, we very much need UNESCO, the cultural agency. The government has asked for a small United Nations presence in a well-regulated office. In addition, there should be a military representation—just a representation, military observers numbering about 20 or 30 men so that our Cambodians can be assured. Therefore, we need their presence. We also need the presence of international observers for monitoring work only as observers.

Concerning the issue of human rights, I have also proposed that a permanent human rights office be opened. We have already set up a committee on this in the National Assembly. The government has also made a pledge, but it would be a good guarantee for the Cambodian people if we have an additional international organization on this matter. Briefly speaking, we need the UN presence to provide confidence to the Cambodian people for the time being. This was the gist of my speech.

In my speech I stressed the words Royal Cambodian Government with me and H.E. Hun Sen (?as heads). I stressed this. I also talked about the plunder, theft, and export of Cambodian antiques. We have also signed a treaty making Angkor Wat a world heritage. I requested that this issue be included on the agenda of the 48th General Assembly session in which the antiques issue is clearly mentioned.

Briefly, these are the main points of the speech I read in the name of H.E. Hun Sen and on behalf of the Royal Cambodian Government. The King Father has also agreed to let us say all this.

Referring to your question about the economy and national reconstruction, I think this requires a lot more time. We cannot talk, even briefly, about this now. However I would like to say that there are problems all over the world—in Somalia, Angola, Georgia, Russia, and so on. The international community is solving these problems. Many countries need to provide aid to the United Nations [passage indistinct] assist Cambodia in national restoration, for example the pledge to provide \$1 billion. This is a lot of money. This is not an empty (?pledge). There is the United Nations and what are called multiparty organizations.

In sum, they will help us. They will do this because we have a government, a legitimate royal government in accordance with the Constitution, and a government elected democratically. If we do not have a government, aid will not be given to us.

We now have a government. However, what we need is security, stability, national union, and a cease-fire. I would like to take this opportunity to say that the stance of the royal government is not one of fighting; it is a stance of seeking peace.

I am very happy, like the Khmer Rouge side whose majority is combatants. The latter understands that now we Cambodians should stop shedding blood. We all have legitimate structures; we should stop shedding our compatriots' blood. We should think only of uniting. If we do not unite, we will not have stability and we will not receive any assistance from others. To sum up, that was what I said.

Finally, yesterday when I was invited, within the framework of the UN Security Council, to express thanks, I pointed out three issues which are the keys for successfully achieving peace in Cambodia.

The first point is that the international community wants to help us. The second point is that Cambodia has cooperated with the international community. For example, the fact that our compatriots turned out to vote. This shows that we, Cambodians, expressed the will to assist. People want to help us. We help others to help us. The King Father cooperated with the United Nations. The third point was that Cambodians want to help Cambodia. The (?two) major parties were then at

odds. FUNCINPEC won but was willing to be a co-premier or the first prime minister, or whatever as long as there was Cambodian national reconciliation. Cambodians want to help one another; we want to think only about national construction.

A lot of people listened to me. I would like to say that in countries where the United Nations wants to help, these countries do not want to be helped and do not cooperate. Not like in our country where the three factors exist. One major factor must be pointed out. I do not know of anyone who does not love the King Father.

In Somalia, Afghanistan, and Angola there is no king to act as father. That is why solutions cannot be found to solve problems. Not like in our Cambodia.

I would like to tell respected listeners that in the past when we went to the United Nations as (?Cambodians), it was very shameful, to tell you frankly. We were asked: Where are you from? Cambodia? The country (?of) Pol Pot; Cambodia where people (?are) constantly fighting and quarrelling and in which millions have died; and yet, they still fight against one another.

This time around, we were asked: Where are you from? We said we are Cambodians. We were very proud and a lot of people congratulated us. When they spoke about the the Kingdom of Cambodia, people spoke proudly. Within the framework of the Security Council in which I was present yesterday, France, the United States, Britain, (?Pakistan), New Zealand, Japan, China, and Thailand, lined up to praise us saying that we have a democratic Constitution and the return of monarchism. They warmly praised the reign of the King Father and the exemplary solution saying that solving the problem in Cambodia is a model for the United Nations.

Therefore, I would like to tell you that as Cambodians, we are proud and that we have recovered honor and prestige like before.

Hun Sen Comments on Khmer Rouge, Thai Relations

BK1410105793 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 14 Oct 93

[Interview with Second Prime Minister Hun Sen by local and foreign correspondents at Pochentong airport on the morning of 14 October after seeing off Prince Kromluong Norodom Ranariddh to attend the Francophone summit—recorded]

[Text] [Indistinct question in English by an unidentified correspondent followed by indistinct translation in Cambodian]

[Hun Sen] There have indeed been rumors but as far as the government is concerned, there should be careful examination before any statements are made. This is because His Excellency [H.E.] Prasong Sunsiri reassured

me just three days ago that Thailand does not support the Khmer Rouge. Therefore, if Thailand has given such permission, it means that Thailand has acted contrary to what it has said. In other words, Thailand is lying to itself. However, I personally would not make any accusations against Thailand. I will wait and see what really happens.

[Indistinct question in English by an unidentified correspondent followed by partly indistinct translation in Cambodian] Is it possible that Mr. Prasong Sunsiri and the central government in Bangkok has no control over the military at the order?

[Hun Sen] [Words indistinct] ask Mr. Prasong yourself whether he can control his troops. This is because I cannot speak on behalf of another sovereign country.

[Indistinct question in English by an unidentified correspondent with partly indistinct translation into Cambodian] [Words indistinct] is it possible, according to the military in Siem Reap, that due to the weather conditions the operation could be extended?

[Hun Sen] Let me say that troops are troops. If they think that they can do something, they will do it. As politicians, we should not be too knowledgeable in military affairs. To this day, we have no problems with whatever is political because we have the right to do everything to ensure security for the people. Not only do we have the right to attack Anlung Veng, we also have the right to launch attacks anywhere on Cambodian territory to defend the people. We carried out the activities in Anlung Veng to ensure security for the people in Siem Reap and Kompong Thom. As far as the question of when the troops will take Anlung Veng, that is an issue for the army.

[Indistinct question in English by an unidentified correspondent with partly indistinct translation in Cambodian] [Words indistinct] can you explain all these issues?

[Hun Sen] This is at government level. It is not necessary because the government has already talked about this. The only thing that remains is whether there is sincerity in doing what both sides have promised.

Your question to me was how we are going to solve the Khmer Rouge issue on Thai territory. I would like to clearly stress that we will not use military force to attack the Khmer Rouge on Thai territory. We will settle this issue through the UN Security Council because one of the annexes of the Paris agreement relates to the guarantee of independence, sovereignty, and territorial integrity by countries that are signatories of the agreement. Therefore, for the country that interferes in our internal affairs, the only way for us is to pass this matter on to the Security Council. It is a good thing that we have asked for UN military observers in our country.

[Indistinct question in English by unidentified correspondent with partly indistinct Cambodian translation]

[Words indistinct] however General Secretary Butrus-Ghali has said that military observers may not be coming.

[Hun Sen] We have just received the latest news that this will be possible, that 20 observers will be coming for a period of six months. I do not know whether this information is correct, but the request by the royal government has been responded to. However, with or without military observers, we can still raise the issue with the Security Council if necessary.

[Indistinct question in English by unidentified correspondent with partly indistinct Cambodian translation] Where would these observers be stationed?

[Hun Sen] It is not yet known where these 20, 30, or 50 observers will be posted. This would have no military impact but it would have a psychological impact. These observers can be our witnesses. They can be stationed in Phnom Penh or in places of their choice or at our proposal.

[Indistinct question in English by unidentified correspondent with partly indistinct Cambodian translation] I want to be a bit clearer. Just now you said there are Khmer Rouge military bases on Thai territory and that you will raise this issue with the United Nations.

[Hun Sen] I did not say that there are Khmer Rouge military bases on Thai territory. It was you who asked me how to solve the problem of the Khmer Rouge on Thai territory. That is why I said if there are. But, do not say that I accuse Thailand. I would like to stress this. Be careful in your writing to avoid Thailand from misunderstanding that I have made accusations against it. I have not even confirmed that Thailand has actually provided weapons and tanks on Thai territory, which is the allegation of the government military officers.

However, I would like to stress that I am confident that the Thai Government will do what it has specified—that it is not supporting the Khmer Rouge, that it recognizes the legal government in Phnom Penh, that it will not get involved in the internal conflict in Cambodia, and that it will take measures to protect Thai people inside Thai territory. This is the four-point stance Mr. Prasong relayed to me when we met in Bangkok.

[Indistinct question in English by an unidentified correspondent with Cambodian translation] Are you surprised that it is still an issue whether Thailand might be involved with the Khmer Rouge?

[Hun Sen] I have said that we should clearly examine what happened in this issue. If, I said if, Thailand continues to have ties with the Khmer Rouge, this would be a big surprise for me.

[Indistinct question in English by an unidentified correspondent with Cambodian translation] Do you think the roundtable meeting can still proceed?

[Hun Sen] I still think about that possibility. The first scenario is that there will be no roundtable talks. This is because Khmer Rouge leaders have refused to respond to the 30 September message addressed to them from me and Prince Kromluong Ranariddh. Yesterday, we sent yet another message reminding the Khmer Rouge to answer us. As there is no answer, perhaps there will be no roundtable talks. How can we hold talks with them if they do not recognize us.

In fact, the Khmer Rouge leadership has not yet recognized the royal government. Another problem. I think the Khmer Rouge leadership should be left to negotiate with the masters. Because the Khmer Rouge consider us—I, Hun Sen, and Prince Kromluong—as puppets. Therefore, I have no status to hold talks with Khieu Samphan. So, I want Khieu Samphan to negotiate with Hanoi, Washington, Paris, Tokyo, and Canberra whom he refers to as allies.

I would like to say that Khieu Samphan, the Khmer Rouge leader, is closing the door on himself concerning the meeting. If puppets are still referred to, how can there be talks? There is no need to hold talks because this would be futile. This is the first scenario. There would be no talks if the Khmer Rouge continue to close the door on themselves.

The second scenario. Suppose there are talks. I do not know what to talk about. Now the Khmer Rouge want to include their troops in the national army. We have already agreed to this. They want to become advisers to the government. This has also been granted. The only thing that is left is for the Khmer Rouge to stop fighting, to gather their troops, and to hand them and the areas they control to the government. That would be the end. There is no need for talks even.

It is a fact that the former three parties have done this. Yes, Prince Kromluong and myself are co-ministers of national defense and interior but we have never done any concrete work there. Troops of the former State of Cambodia, former National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC], and the former Khmer People's National Liberation Front have been handed over to the government. The officers there are doing the work.

If the Khmer Rouge want to, they can just say: We will stop fighting and we will hand over these troops located in such and such areas.

In sum, I am not very hopeful. If there are talks again, I do not know what to talk about. Furthermore, talks cannot be held because the Khmer Rouge continue to close the door on themselves.

CPP Chairman Wishes Sihanouk Quick Recovery

BK1210115693 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 11 Oct 93

[Message from Cambodian People's Party Chairman Chea Sim to King Sihanouk; dated 11 October]

[Text] To His Majesty Norodom Sihanouk Varaman, king of the Kingdom of Cambodia:

We, your children of the Cambodian People's Party [CPP], like Cambodian people throughout the country, are truly happy and relieved to hear that his majesty is in good health after a recent successful surgical operation. We pray that the Triple Jewels, goddesses protecting the Royal White Parasol, and all the sacred things of the world protect his majesty and her majesty the queen. May both of you enjoy longevity, and may his majesty recover quickly so he can be the cool shade for all of us, your children, and continue to rebuild the country, making it prosperous and glorious like other developed countries the world over.

Your Majesty, please accept the highest respects from all of us, your children.

[Dated] Phnom Penh, 11 October 1993

[Signed] Chea Sim, chairman of the Cambodian People's Party

KRAF Surround Khmer Rouge Siem Reap Base 7 Oct

BK0910072093 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 9 Oct 93

[Text] Tie Banh, deputy defense minister of the Kingdom of Cambodia, said on 8 October that the Khmer Royal Armed Forces [KRAF] were conducting an operation to surround a strategic Khmer Rouge military base in Anlung Veng in Siem Reap-Oddar Meanchey Province where over 1,500 Khmer Rouge troops were stationed. The operation began on 7 October and was aimed at breaking up the Khmer Rouge troops' structure, which provides a stronghold for them to launch attacks on the KRAF in the northwestern part of the country.

The operation was the second major military operation conducted by the KRAF this year. In the operation, the KRAF were able to advance 10 km in the areas south and west of Anlung Veng, but the advance was postponed due to rainfall and difficulties in movement. The operation was carried out in conformity with the new Constitution, by virtue of which the Royal National Government of Cambodia [RNGC] has stated that there is only one Kingdom of Cambodia and that no region should be placed under any illegal occupation or control.

Khmer Rouge Radio on Current Military Situation

BK1110031393 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 10 Oct 93

[“Battlefield report”]

[Text] Another great defeat of the large-scale offensive of Vietnam's puppets against the people and Democratic Kampuchea on the Siem Reap-Oddar Meanchey battlefield has been administered.

I. Vietnam's puppets launched a large-scale offensive on the Siem Reap-Oddar Meanchey battlefield against the people and Democratic Kampuchea [DK]. In this offensive, Vietnam's puppets used nearly all of their troops and did their utmost.

They started in early August 1993. This offensive involved troops from divisions of Vietnam's puppets: Division 5; a division of the 4th Military Region in Siem Reap; Division 179; a division from Phnom Penh; Division 6 from Battambang; divisions 4, 1, and 3 of ANKI [Independent Cambodian National Army—troops of the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]; and Para [troops of the Khmer People's National Liberation Front] Divisions 22 and 11, and so on.

These units are called divisions. However there is no real order among the troops. These are all vagrant, newly recruited troops who have been duped and bought with promised remuneration for fighting for 10 or 15 days; students who were forcibly rounded up from Phnom Penh and various provinces; and workers rounded up from the streets in various provinces.

II. The field commanders directly in charge of this offensive—which they call a large-scale offensive—are General Pol Saroeun, General Nhoek Bunchhai, General Long Sopheap, Kien Sovana. These persons have the ranks of deputy chiefs of the general staff in Phnom Penh. They are in direct command. Apart from these generals, there are scores of lower ranking generals: 99 percent of them are officers of Vietnam's puppets. They speak fluent Vietnamese and can also speak Russian. They are members of the Vietnamese Communist Party.

Apart from this, there are officers of Vietnam's puppets in Phnom Penh who are directly in charge of this offensive, namely, General Tie Banh, whom the people refer to as Anteah Banh [pun meaning “the one struck by lightning”]; and General Ke Kimyan, chief of the general staff of the puppets. The ones who have drawn up this offensive plan are Vietnam and its allies.

The aim of the offensive is to attack the Anlung Veng area in Siem Reap and Oddar Meanchey.

III. This offensive consisted of three major prongs. The first prong started out from Svay Leu, Khvav, Varin, Sre Noy in Sem Reap Province. The second prong started

out from Kulen District in Preah Vihear Province. The third prong started out from Samraong District in Oddar Meanchey Province.

The offensive began on a large scale in early August 1993. It was again and again launched; troops were repeatedly pushed forward. Puppet commanding officers, with the ranks of generals, crisscrossed the area in helicopters every day.

IV. The objectives of this large-scale offensive are:

1. To flex muscles and to eliminate the people and DK when the prince father came to Phnom Penh to sign the constitution and to start reigning as king.
2. To eliminate the national reconciliation plan of His Majesty [H.M.] King Norodom Sihanouk.
3. To show opposition to the meeting between H.M. King Norodom Sihanouk and His Excellency Khieu Samphan concerning national reconciliation.
4. To wage psychological warfare in order to dupe international opinion, which is far away from the real situation.
5. This is a political war to dupe the allies into providing more money to continue fueling Vietnam's war of aggression in Cambodia.
6. To wage psychological warfare in order to dupe the puppet troops, to encourage them, and to show that they are launching attacks and winning in the west and the east. This is to prevent the puppet troops from deteriorating further, and so on.

V. Results of the offensive. The offensive, which these people call a large-scale operation, to attack the people and DK in the Siem Reap-Oddar Meanchey area was defeated right from the start. It was defeated throughout August; throughout September; and in early October.

Vietnam's puppet forces struck the first time; they were defeated. They tried again and were again defeated. They tried again and were again defeated.

The main reasons for their large, successive defeats are the following:

1. The people are clearly aware of the true nature of the puppets' offensive to kill the nation and people, which is in conformity with the policy of aggression of the communist Vietnamese and their allies.
2. The people have struggled against them in the political, military, and economic fields and by cutting communications lines, starving the puppet troops, and escaping from them to prevent them from gathering any news.
3. The National Army of Democratic Kampuchea [NADK] relies on the people's forces and is waging a

guerrilla war. They move around to constantly attack the enemies from the flanks and from behind to prevent the enemies from advancing

4. The NADK and the people are waging a political war and providing guidance and explanation to soldiers who are newly recruited by the puppets and are forced to fight. The new soldiers the puppets have forcibly sent to fight understand the dirty policy of Vietnam's lackeys and allies to destroy the nation, the people, national reconciliation, and the prince father's policy. These puppets only think of fueling the war to destroy the nation and people in accordance with the policy of aggression of the foreigners, their masters.

Therefore, a large number of these soldiers are evading any fighting on the battlefield. When these soldiers were dispatched to the battlefield by Vietnam's puppets, they deserted. During fighting, they also escaped and did not fight. So, a clear majority of these newly recruited troops, between 80 and 90 of them, have fled the battlefield. Only a handful of henchmen have remained; they in turn cannot fight because they lack strength.

5. The majority of ANKI troops, particularly in Division 1, refused to go to the battlefield and absolutely refused to carry out orders to fight. Therefore, on the Kulen District front, in which ANKI's Division 1 is supposed to be the spearhead, there was no action at all because this ANKI's Division 1 has clearly understood the prince father's national reconciliation policy; it has absolutely refused to blindly follow the puppets of the communist Vietnamese. These troops have told the people that they have committed a serious mistake; they are now following the prince father's national reconciliation policy; they will live or die with the prince father.

6. Some other Para troops also did not fight; some fled from the battlefield for fear of dying in fighting against the people and DK. They were afraid that in the future they will have no one to rely on—rely on the nation and people?; rely on the enemies, the communist Vietnamese?; or rely on a number of bad foreigners? They have decided to stay with the nation and people and with the prince father's national reconciliation.

VI. Clarification: The large-scale offensive of Vietnam's puppets shows that the enemies of our Cambodian nation and people have committed aggression against Cambodia and occupied it for over 14 years; they continue to fuel the war of aggression. Why?

This is because of their strategic interests. In the past they committed aggression against Cambodia. They are at present fueling the war of aggression in Cambodia. And in the future they will continue to fuel the war in Cambodia.

Because of their politico-strategic goals and interests, they oppose an independent, peaceful, unified, and sovereign Cambodia and its territorial integrity. They oppose the national reconciliation of the prince father and of the Cambodian nation and people. They only

want to tear apart the Cambodian nation and people and annex them. The Cambodian nation and people have been direct victims of this. They therefore do know clearly the true nature of the minor and large-scale offensives against the people and DK. These are in fact the offensives of the communist Vietnamese aggressors and their servants and lackeys. This is the war of some bad foreigners who are thirsty for the Cambodian people's blood. These guys are hellish suckers who want to suck the pus and blood of small, weak countries and their people.

Therefore, the Cambodian nation and people will not be off their guard even for a second. The Cambodian nation and people remain constantly vigilant and united so as to become firm national forces under the prince father's national reconciliation policy and continue the struggle to absolutely defend and safeguard the nation, people, and race from becoming another Kampuchea Kraom [former Cambodian territory now part of southern Vietnam].

Laos

IMF Grants New Loans for Economic Plan

BK1410133193 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 12 Oct 93

[Text] Following his three-day visit to the Lao People's Democratic Republic [LPDR], Michel Camdessus, managing director of the IMF and head of its high-level delegation, held a news conference with Lao and foreign media in Vientiane on the evening of 8 October. At the news conference, Michel Camdessus reviewed the good relations between the LPDR Government and the IMF. He noted the LPDR's outstanding success in carrying out economic reforms following the implementation of the new economic management mechanism, in particular [words indistinct] in switching to market-oriented economy. He also reiterated the continued cooperation between the LPDR and the IMF.

He said: The IMF has recently approved loans worth some U.S. \$50 million to the LPDR. The loans were granted under the adjustment plan with an enlarged structure for three years. They are intended to support the LPDR's 1993-95 financial and economic plan. Under its terms, the LPDR can withdraw up to U.S. \$17 million in the first year. This loan is as an addition to the U.S.\$29 million loan given by the IMF under the adjustment in 1989 to support LPDR's economic development projects from 1989 to 1992. The LPDR's success in regulating the loans has brought about the reduction of inflation rates and an increase in production. [words indistinct] Outstanding steps have been achieved in switching from the centralized economy to the market-oriented economy. This plan has particularly brought benefits to the poor. It has promoted the economic establishments in the LPDR. At the same time, the plan's implementation has appropriately helped preserve the environment and manage natural resources.

The LPDR has been a member of the IMF since 5 July 1961.

President Departs for Francophone Summit

BK1410011393 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 14 Oct 93

[Text] Yesterday, President Nouhak Phoumsavan, leading a high-level Lao delegation, left Vientiane to attend the fifth summit meeting of the heads of state of Francophone countries which will be held in Port Louis, capital of Mauritius, from 16 to 18 October. The Lao People's Democratic Republic is a permanent member of the grouping of the Francophone countries.

A grand send-off ceremony for President Nouhak Phoumsavan and his entourage was officially held at the National Assembly hall in Vientiane with the attendance of Prime Minister Khamtai Siphandon, National Assembly Chairman Saman Vi-gnaket, vice chairmen of the National Assembly, deputy prime ministers, ministers, deputy ministers, and some high-ranking cadres from various services together with Xavier Rose, French ambassador extraordinary and plenipotentiary to Laos.

Cooperation Agreement Signed with SRV

BK1510094193 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 15 Oct 93

[Text] On the evening of 13 October at the meeting hall of the Ministry of Agriculture and Forestry in Vientiane, a ceremony was held to officially sign a cooperation agreement between the Ministry of Agriculture and Forestry of the Lao People's Democratic Republic [LPDR] and the SRV Ministry of Agriculture and Food Industry regarding gratis aid from the SRV Government to the Lao Government for continued implementation of rural development projects in Laos. Bouathong Phounsali, chief of the guidance committee for rural development projects of the LPDR Ministry of Agriculture and Forestry; and (Dung Duc Boung), deputy director of the Science and Technology Department of the SRV Ministry of Agriculture and Food Industry, signed the agreement in the presence of Pian Saphangthong, deputy minister of agriculture and forestry; the economic adviser of the SRV Embassy in Laos; and a number of technical personnel concerned from both sides.

The cooperation agreement clearly spells out the nature of rural development work in Laos by emphasizing the following three main areas: the Phon Soung development project in Phon Hong District of Vientiane Province, the Thong Senphahat development project in Kham Keut District of Bolikhamsai Province, and the Champassak District development project in Champassak Province. In order to carry out implementation of the rural development projects in 1993, the SRV has granted gratis aid of 1.5 billion dong to Laos in the immediate future. Vietnam will give additional aid of 6.3 billion kips to Laos with the aim of continuing the implementation of the above-mentioned three major

projects. A meeting is expected to be held to review lessons in all respects in 1995.

Philippines

Ramos Orders Crackdown on 'Human Smuggling'
BK1510102293 Quezon City MALAYA in English
13 Oct 93 pp 1, 6

[Report by Romy Tangbawan, Perfecto Caparas and Mon Acasio]

[Text] President Ramos, alarmed over reports of "human smuggling" at the Ninoy Aquino International Airport [NAIA], yesterday ordered a crackdown on the syndicate allegedly composed of at least 93 government personnel, Vice President Joseph Estrada said.

The Presidential Anti-Crime Commission [PACC], in a confidential report to Ramos, said the syndicate specializes in facilitating the entry and exit of Filipinos and aliens bearing spurious documents through NAIA.

Estrada, PACC chairman, said Ramos also ordered him to look into the possible criminal activities involving personnel of the Department of Tourism.

"The President has expressed alarm and has given us instructions to arrest these criminals and put them in jail," Estrada said.

Ramos sent his instructions in the form of a marginal note on newspaper reports on the human smuggling syndicate.

Estrada said he assigned PACC undercover agents to the NAIA to monitor the movements of syndicate members with orders to arrest on the spot those who are caught escorting passengers in and out of the airport. The PACC report showed that the syndicate is composed of 71 officials and personnel of the Bureau of Immigration and Deportation [BID] assigned to the airport, eight personnel of the Philippine National Police, seven from the NAIA police force, one Narcom [Narcotics Command] agent, and an agent of the National Bureau of Investigation. The report, based on a six-month long surveillance, identified at least three ring leaders with the surnames Kalaw, Virtusio and Bontia.

The syndicate also reportedly charges up to P100,000 [Philippine pesos] to allow the entry of illegal aliens mostly from Mainland China and India into the Philippines. But Immigration Commissioner Zafiro Respicio yesterday said that in a meeting with Reli German of the PACC in the morning, the latter told him that there is no final report, only raw information, on the alleged human smuggling. He dismissed the report as "part of a smear campaign by some disgruntled elements from the BID Intelligence Group."

In an interview, he said he will impose sanctions against BID personnel allegedly involved in human smuggling as soon as he gets a copy of the report from Estrada.

Respicio said: "We will investigate if the reports have a basis."

Respicio said, to stop corruption among BID personnel, he plans to rotate the 170 immigration officials deployed at the NAIA.

"Many BID officials think they have a torrens [land ownership] title at the NAIA since they have never been reassigned," he said.

BID intelligence officers interviewed by MALAYA refused to comment on the report.

Benjamin L. Kalaw, assistant chief of the BID travel and control service, said the accusation is "unfair, having been made by disgruntled intelligence officers at the BID."

Kalaw said that as of 30 September, 160 Chinese and 92 Indian nationals possessing spurious and tampered travel documents had been barred from entering the country. Kalaw said a certain Danilo Uy, who offered P100,000 to immigration officials after arriving in the country last 8 October with a fake re-entry permit and an assumed name, was deported to Canton yesterday morning on Respicio's order.

NAIA General Manager Guillermo Cunanan admitted he has been hearing of reports that airport personnel, particularly from the BID, have been allegedly facilitating the entry and exit of Filipinos and aliens through spurious documents since last year.

Cunanan, during the weekly roundtable discussion at the Manila Pavillion, said he has imposed several restrictions to limit, if not eradicate, the illegal activities. Cunanan said he is willing to work with the PACC to evaluate the report and to curb irregularities at the NAIA.

Immigration Reshuffle Over Issue

BK1510063193 Quezon City Radio Filipinas in English
0230 GMT 15 Oct 93

[Text] Immigration Commissioner Zafiro Respicio designated Felix Rodriguez, acting chief of the travel control service at the international airport, this amidst reports that some 71 immigration personnel are involved in massive smuggling of aliens through the airport. At the same time, Respicio also ordered the recall from the NAIA [Ninoy Aquino International Airport] of 27 immigration personnel including lawyer Benjamin Kalaw, acting PCF [expansion unknown] chief and technical assistance Ildefonso Bontia. They were among those linked to the alleged human smuggling operations by the PACC [Presidential Anti-Crime Commission].

Official: Libya Committed To Developing Mindanao*BK1510035793 Quezon City MALAYA in English
13 Oct 93 p 11*

[Report by Butch Franco]

[Text] Libya prefers East Asia particularly the Philippines as a "haven" for trade and economic investments over the Western countries, the Department of Foreign Affairs [DFA] said yesterday.

DFA Secretary Roberto Romulo said Libyan foreign officials are particularly interested in the southern growth area proposed by the ASEAN countries. During a meeting in New York last week, Romulo noted that Libya is wary of investing in the United States and other Western countries since these countries are quick to impose economic sanctions against it.

"It (Libyan government) has this fear of losing future investments to economic sanctions that the US would impose for some (political differences), while noting the fast-growing area of Mindanao," Romulo said.

He said Libyan Foreign Minister Omar Mustafa El Mountaser [name and title as published] has also committed his government to cooperate in the development of Southern Mindanao into a growth hub.

"And the support will be done without bias or political interference from Libya," Romulo quoted Mountaser as saying. He said Mountaser added that this would not also cause problems with regard to Libya's relations with Indonesia.

ADB Grants \$70,000 for Study on Growth Triangle*BK0910092293 Singapore BUSINESS TIMES in English 8 Oct 93 p 3*

[From Al Labita in Manila]

[Text] The Manila-based Asian Development Bank (ADB) yesterday approved a US\$70,000 (S\$109,480) grant for preparatory work for a study on the proposed Indonesia-Malaysia-Thailand growth triangle. In a statement, ADB said the preparatory work will be handled by an international consultant on regional economics and one consultant each from the three countries.

It said the consultants will prepare background reports and issue papers for discussion during an inaugural meeting to be held at the ADB headquarters in November this year.

The preparatory work and the meeting form part of the bank's technical assistance programme to the three member-countries. ADB said the study will mainly identify policies and projects that will accelerate growth of the three neighbouring ASEAN member countries. It will also recommend ways to enhance trade, investments,

flows of services and other economic activities among the three countries. The study will also examine possibilities for regional cooperation in agriculture, fisheries, labour mobility, industry, energy, transportation, communications and tourism.

ADB said the proposal was an offshoot of a recent workshop on growth triangles hosted by the bank.

"The workshop concluded that economic cooperation through growth triangles is, in some ways, superior to existing forms of cooperation because of low political and economic risk, and is more export-orientated and non-exclusive," it said.

ADB noted the Success of some growth triangles that have emerged in the Asia-Pacific region in recent years. One arrangement links Singapore, Johor state and Batam. Another Consists of Hongkong, Taiwan and China's Guangdong and Xiamen provinces. ADB said another growth triangle is also being formed involving China's northern provinces, a part of Siberia in Russia and North Korea.

Government-MNLF Talks Set for 22 Oct*BK1210042993 Manila PHILIPPINE DAILY INQUIRER in English 8 Oct 93 p 16*

[Text] Formal peace talks between the government and the Moro National Liberation Front [MNLF] are scheduled to start on 22 October.

The date has been set by the Indonesian government which has agreed to host the talks, according to a member of the negotiating panel. The government and the MNLF have accepted it, said the source who asked not to be named.

He said the talks may last for at least one week. But it could not yet be ascertained if the talks will be held in Jakarta or in West Java, site of the second round of exploratory talks between Batangas Representative Eduardo Ermita and MNLF Chairman Nur Misuari last April.

Officials View Coming Talks*BK1210110193 Quezon City PTV-4 Television Network in Tagalog 0500 GMT 12 Oct 93*

[Text] Government negotiators have denied insisting on using the Philippine Constitution as a framework for the coming talks with communist rebels.

Government panel chairman Howard Dee assured that they will not use the Constitution as a basis to reject proposals for reforms, but he said that the government panel should refrain from negotiating under the constitutional process. He said this action is to avoid questions about the legal personality of the panel.

[Begin Dee recording in English] We will not use the Constitution as an imposition of the framework. This is our assurance. In other words, this should not... [changes

thought] yes, because if you put the shoe on the other foot, if the CPP-NDF [Communist Party of the Philippines-National Democratic Front] hierarchy requires their panel to follow the party Constitution and rules during the negotiations, we cannot say that in effect they're imposing their constitutional framework or Constitution on us. [end recording]

Meanwhile, preparations are under way for the coming peace talks between the government and the representatives of the Moro National Liberation Front [MNLF] scheduled to start on 25 October [date as heard] in Jakarta, Indonesia.

The Philippine panel will be headed by former Ambassador Manuel Yan, while the MNLF will be headed by exiled chairman Nur Misuari. The chairmen of the two opposing panels will arrive in Jakarta on 21 October.

[Begin Yan recording in English] We envision and we have agreed that the talks will have as a starting point the implementation of the Tripoli agreement in letter and spirit. [end recording]

Peace Efforts With Muslims, Leftists Endorsed

*BK1510103893 Manila THE MANILA CHRONICLE
in English 12 Oct 93 p 7*

[By Johanna Son and Manny Mogato]

[Text] The government has won the support of the Netherlands and some members of the Organization of Islamic Conference (OIC) for its peace talks with Muslim and leftist rebels. During bilateral meetings with Foreign Secretary Roberto Romulo in New York in the last two weeks, representatives of Libya, Senegal, the Netherlands and the Palestine Liberation Organization endorsed the Philippine government's peace efforts.

Libyan Foreign Minister 'Umar Mustafa al-Muntasir, who said his country was merely acting as a "catalyst" in the Philippines' talks with the Moro National Liberation Front (MNLF), batted for a solution to the secessionist movement "without bias or interference." Al-Muntasir, who visited Manila in April, also assured Romulo that Libya was determined to help see the success of the talks aimed at solving the separatist problem in Mindanao.

"Between Libya and Indonesia (which is hosting the talks), nobody in the OIC can cause any problem," he said. Muntasir has also been quoted as saying that the talks should be held within the framework of the territorial integrity of the Philippines.

When formal peace talks between the government and the MNLF opened on October 6, Libyan Ambassador to the Philippines Raja Azzarouq was present. The negotiations will then proceed in Jakarta for discussions on substantive issues.

In his talks with Romulo, Senegal's foreign minister reportedly recalled that Senegal had urged MNLF chairman Nur Misuari to accept the "principle of negotiations and dialogue."

Senegal also noted the "political flexibility" shown by the Philippine government and the MNLF thus far, and expressed the hope that a "mutually acceptable solution" could be reached in Jakarta and presented at the next OIC summit in 1995.

Romulo also met PLO Foreign Minister Faruq Qaddumi to whom Filipino officials explained the status of the government's talks with the MNLF.

The Dutch Foreign Minister, Peter Kooijmans, also expressed support for the Ramos administration's negotiations with communist rebels.

"He said he was supportive of the peace process," Romulo said, adding that he found the statement significant especially since leaders of the National Democratic Front (NDF) are based in the Dutch city of Utrecht. "That's another European Community (EC) member supporting our efforts," he said.

Filipino diplomats have been working to get endorsements from Europe where the NDF has done a lot of lobbying. Recently, they won the support of German Foreign Minister Klaus Kinkel and European Parliament president Egon Klepsch.

Meanwhile, former ambassador Howard Dee, head of the government panel negotiating with the leftist rebels, offered to formulate a framework for the peace negotiations jointly with the NDF to save the talks from collapsing.

In a letter to NDF leader Luis Jalandoni, Dee proposed to work out a mutually agreeable framework for the formal peace talks with communists. Dee also suggested that "both panels just agree to disagree on the interpretation of constitutional processes," rather than allow this issue to jeopardize the peace talks.

"If at that time when we would be formulating the framework together, you are truly convinced that we are imposing our Constitution on the framework, then you can make the decision to break off the talks," he said.

Dee reiterated the government panel's commitment to the declaration signed by the government and the NDF in The Hague last November which said there should be no preconditions to the talks. He also appealed to the NDF to reconsider its decision to withdraw from the exploratory talks scheduled to be held in Ho Chi Minh City in Vietnam later this month.

The NDF has been demanding that Malacanang [presidential office] take back its directive to the peace panels to negotiate with the rebels according to constitutional processes.

Senate Ratifies Biodiversity Treaty*BK1110111493 Quezon City MALAYA in English
7 Oct 93 p 2***[Report by Romy Tangbawan]**

[Text] The Senate ratified yesterday on final reading an international treaty for the protection of the environment but acted late for the Philippines to be remembered as the nation that put the agreement into force worldwide.

Mauritius, an island-nation in the Indian Ocean off Africa, beat the Philippine Senate by becoming the 30th nation to ratify the Convention on Biological Diversity signed by 153 nations at a meeting held last year in Rio de Janeiro, Brazil.

The treaty, which calls for mutual cooperation among nations in preserving their ecosystems, needs to be ratified by 30 countries to take effect worldwide.

What a waste, we were beaten, said a dejected Senator Blas Ople (Laban) [Lakas ng Bayan—People's Struggle] who, as chairman of the Senate foreign relations committee, sponsored the agreement.

Thailand**Businessman Arrested for Alleged Libyan Link***BK1510015193 Bangkok BANGKOK POST in English
15 Oct 93 p 1*

[Text] Chiang Mai—Police yesterday arrested an owner of a Thai engineering company for allegedly exporting Thai workers to build underground shelters in Libya suspected by American intelligence of being used as chemical war weapon production plants.

The arrest of Wirot Sakunmutaita, 38, was made by a joint team of Crime Suppression Division [CSD] and local police as well as officials of the Labour and Social Welfare Ministry on the order of Prime Minister Chuan Likphai and Labour and Social Welfare Minister Chawalit Yongchaiyut. Mr Wirot was taken from his W & M Co office in Muang District to Phuping police station, where he was intensively interrogated by CSD Commander Maj-Gen Luan Panrotthip, who flew there from Bangkok.

Mr Wirot, who confessed to having a contract with a Libyan firm to build underground "bomb shelters" in that country, was alleged to have illegally sent and taken Thai workers to work in Libya without official permission.

The businessman flatly denied the charges and claimed the police legal action against him was influenced by international politics between Thailand and the U.S. Pol Maj-Gen Luan claimed police, who raided six places in Chiang Mai looking for Mr Wirot, had sufficient evidence to back charges against him.

Mr Wirot insisted he has never sent or taken any Thais to work in Libya, but admitted he had some 60 Thais helping him construct underground shelters in Libya. He said he had been contracted through a Libyan firm to design and build underground shelters for the Libyan government. The project has been under way for three years, although the actual construction work began two years ago, Mr Wirot said. He said each of the shelters he has built is 15 metres wide and 110 metres long, buried some 50 metres below ground level, usually under mountains. He admitted that he had travelled frequently to Libya to follow up his work there, but said he has never sent or personally taken any Thai workers to that country.

Thai workers went to Libya through other companies, Mr Wirot claimed, admitting that he had helped some of the workers in remitting money to their homes in northern Bangkok and Chiang Mai. He said he had not violated Thai law in helping Libya design and build underground shelters.

Building the underground shelters was an honest job for his firm, but how the shelter would be used by Libya was not his concern, Mr Wirot said, adding that the Government should instead feel proud that a Thai company has that much capability to undertake that type of difficult work overseas. He said he still has two years left in his contract in Libya, and he would continue with this job unless the Government declares his activity illegal.

He said he was visited by a US official he suspected of being an agent of the Central Intelligence Agency (CIA) a few months ago. The man inquired about his company's activities in Libya, he said.

Pol Maj-Gen Luan said the Prime Minister and Gen Chawalit have ordered him to act against Mr Wirot after the US intelligence reaffirmed to the Foreign Ministry that the underground shelters built by the Thai workers were being used as plants to produce chemical weapons. He said many of Mr Wirot's associates who are still at large would also be arrested.

Further on Arrest*BK1510062193 Bangkok SIAM RAT in Thai 15 Oct 93
p 16*

[Text] Following a press conference given by the Ministry of Labor and Social Welfare that there are three companies operating job placement sending workers to work in weapon production plants in Libya and the ministry has been keeping an eye on them, Sawai Phrammani, permanent secretary of the Ministry of Labor and Social Welfare, held a press briefing at the ministry on 14 October.

Sawai told reporters that he has instructed the ministry's job placement department to coordinate with the Crime Suppression Division [CSD] Command of the Police Department to make an investigation and arrest of the executive committee of the W & M Company Limited.

which is located in the Muang District, Chiang Mai Province. Police Major General Luan Panrotthip therefore sent a team of CSD policemen in collaboration with officials of the job placement department of the Labor and Social Welfare Ministry to the northern province for the mission.

Officials searched and arrested Wirot Sakunmuthita, manager of the said company, and three of his colleagues. Through the investigation, the W & M Company Limited was found to really have operated the job placement business and sent workers to work in Libya. All the suspects were therefore held under custody at the Muang District police station, Chiang Mai Province on the charge of sending workers to work abroad without permission in accordance with Article 49 of the Decree on job placement and protection of workers issued in 1985. According to the law, the punishment will be three to 10 years of imprisonment, or a fine of 60,000 to 200,000 baht, or both imprisonment and fine.

Authorities also warn workers wishing to work abroad to be cautious, or they may be faced with problems. In case of doubts, workers are advised to contact for further information the provincial labor development offices in any province or the job placement department, tel. 248-4792.

SRV Party Secretary, Delegation Arrive

BK1510092793 Bangkok Radio Thailand Network in Thai 0530 GMT 15 Oct 93

[Text] A correspondent of the Public Relations Department reports on the official visit to Thailand from 15 to 18 October of Do Muoi, general secretary of the Communist Party of Vietnam [CPV], as a guest of the Thai Government as follows:

Do Muoi and his delegation arrived at the Royal Thai Air Force headquarters airport by special plane at 0900 this morning. Afterwards, the CPV general secretary proceeded to the Thai Government House to be accorded an official welcome starting at 1000. The ceremony was led by Prime Minister Chuan Likphai.

At 1015, CPV General Secretary Do Muoi began his official talks with Prime Minister Chuan Likphai at Government House. As Do Muoi presently does not hold a position in the Vietnamese Government and makes this visit to Thailand as the highest political leader of Vietnam, his originally scheduled official talks with the Thai prime minister, therefore, became only a conversation and exchange of views.

Those who will attend the discussion of official issues with the Thai side include the SRV deputy prime minister and the minister of foreign affairs accompanying Do Muoi.

The topics of discussion between the Thai and Vietnamese delegations will include Vietnam's economic

reform and development plan, the international situation, and constructive roles of Thailand and Vietnam toward the Southeast Asian region.

Regarding trade between Thailand and Vietnam, it has been sparse in the past with a combined trade value of only 28 million baht per year. Later, Thai-Vietnamese bilateral trade increased. In 1992, the combined trade value rose to 4 billion baht and it is estimated that it will reach 8 billion baht per annum in 1993.

During the visit, the CPV general secretary and high-level Vietnamese officials will hold talks and meetings with Thai counterparts. This will result in improving relations and economic and trade cooperation between the two countries.

Do Muoi Interviewed Prior to Visit

BK1510060393 Bangkok BANGKOK POST in English 15 Oct 93 p 4

[Text] Vietnam's Communist Party chief Do Muoi has expressed hope that he could help remove some bricks from the solid wall of lingering mutual suspicions between Vietnam and Thailand during his four-day official visit to the Kingdom.

"Regrettably, in history our relations had their ups and downs which were beyond our wishes. Nowadays, there has emerged a possibility to close the past and look forward to a more beautiful future for the relationship," Do Muoi said in an interview with the BANGKOK POST in Hanoi before setting out for Singapore earlier this month. He was in Singapore from October 5-8.

Although constitutionally, President Le Duc Anh is Vietnam's head of state, Do Muoi is the powerful leader in his capacity as secretary-general of the ruling Communist Party which gives policy guidelines in the one-party state and government.

Thailand is preparing to roll out the red carpet for Do Muoi, here as guest of Prime Minister Chuan Likphai. The Premier will take the Vietnamese leader for an audience with His Majesty the King at Thaksin Palace in Narathiwat, the historic encounter between the Thai head of state and the top Vietnamese leader. "Thailand is much richer than Vietnam. You are facing some problems but those are problems of a rich country. I am happy that the Thai economy is progressing," said Do Muoi.

Looking around in the ASEAN neighbourhood, Vietnamese leaders and economic planners constantly admit their admiration for Malaysia and Singapore for those countries' well-balanced success in fast growing economy with environmental considerations under a single-party political system. But at the end of the day, Vietnamese and foreign experts dealing with Vietnam agreed Thailand should provide an ideal study case for a young country like Vietnam for both good and bad lessons of development given many similar characteristics that the two countries have in common.

"We can't learn much from Singapore because they are very different," said a senior party official. Thailand, he said, is closer to Vietnam and Do Muoi wants to see how the Kingdom deals with rural poverty, which is his preoccupation in the course of Vietnam's reform.

From the time of the Cambodian peace agreements in late 1991, there have been for the first time in decades high-level exchanges between the two countries, with Vietnamese Prime Minister Vo Van Kiet visiting Thailand and former prime minister Anand Panyarachun going to Hanoi last year.

Those contacts, including two separate visits to Vietnam by His Royal Highness Crown Prince Maha Wachiralongkon and Her Royal Highness Princess Maha Chakri Sirinthon, have helped break the ice at the top level. But the suspicious mindset persists in the level of government machinery, as well as among the Thai private sector, which resulted in slackened move or stagnation in many areas of bilateral cooperation which the two leaders have pledged to pursue.

Vietnamese officials and Hanoi-based analysts said Thai investment and trade in Vietnam is curiously overtaken by those of Singapore and Malaysia, for a number of reasons.

Some Thai businessmen are still inexperienced in overseas investments. Others are only concerned about their goods getting sold in Vietnam either through official channel or smuggled via Laos or Cambodia. Many Thai businessmen visiting Vietnam often complained about the lack of information about Vietnam on the Bangkok end.

In Bangkok, Thai officials admitted that the "wall of mutual suspicions" does obstruct enhancing economic relations. The Office of the Thai Commercial Councillor in Hanoi urges Thais to go to Vietnam and "pay attention" to what is an attractive market for a wide range of Thai products. It also emphasises that in the long run, bilateral trade could only grow through investment commitment. And this is expected to be a prime item on the agenda for talks between Do Muoi and Prime Minister Chuan—how to enhance economic relations, according to Thai and Vietnamese government sources.

Thailand has made a major gesture by allowing Vietnam to open a consulate in Khon Kaen. Two years ago, Thailand objected steadfastly the idea of a Vietnamese official presence in the Northeast where there is a large concentration of overseas Vietnamese.

In yet another step of confidence-building process, Prime Minister Chuan is expected to inform Do Muoi that Vietnam will be involved in the so-called growth quadrangle linking Thailand, Burma, China and Laos.

"Ideally, whatever regional transport link we are looking at will have strong psychological impact if it reaches Hanoi," said a senior Thai government source. The source noted that Vietnam has shown flexibility in

contentious issues such as the Mekong River cooperation, and the question of the overlapping claims in the Gulf of Thailand.

It was not until very recently that Thailand indeed began to see Vietnam as a potential economic rival in the region. Another Thai senior official acknowledged that Thailand has minimal knowledge of this future rival, and that the Thai policy towards Vietnam, like that towards Cambodia, is outpaced by the changes happening out there. But Do Muoi is optimistic about prospects of Thai-Vietnamese ties. "In the interests of each country and for the sake of common prosperity in the region, Vietnam and Thailand should foster ever more solid confidence in each other and develop cooperation on the basis of mutual respect, non-interference in the other's internal affairs, equality and mutual benefits.

"That is the best way for Vietnam and Thailand to develop their respective countries, contributing to peace, stability and prosperity in the region. I am convinced that the leadership and the people of Thailand also share this with us," he said.

SRV To Open Consulate in Khon Kaen Province

BK1410064993 Bangkok Radio Thailand Network in Thai 0000 GMT 14 Oct 93

[Text] A Vietnamese consulate will be set up in the northeastern province of Khon Kaen. The Cabinet on Tuesday [12 October] approved a proposal by the Foreign Ministry for Vietnam to establish a consulate in Thailand. Such establishment is in compliance with the government policy to strengthen relations with neighboring Indochinese countries. The northeastern region can also be used as a gateway to Indochina. The Vietnamese consulate in northeastern Thailand will contribute to bilateral relations. Vietnam earlier allowed Thailand to open a consulate in Ho Chi Minh City on 14 September 1992.

Chuan Warns Separatists May Stage Attacks

BK1510053593 Bangkok THE NATION in English 15 Oct 93 p A1

[Excerpt] Prime Minister Chuan Likphai yesterday warned police and other government security agencies not to underestimate the threat posed by Muslim separatists who have reportedly threatened to target government offices in a renewed campaign of terror. The premier said in response to reports from the Police Department's Special Branch Division that Muslim terrorists in the deep South threatened to bring terror to Bangkok or other major areas.

According to the reports, the Barisan Revolusi Nasional (National Revolutionary Front) separatists had sent their experts in terror into Thailand through the Padang Besar border check-point, Songkhla province.

The Police Department had assigned the special branch to provide tighter security measures for government

offices, especially the Interior Ministry, and high-ranking government officials, a source in the department said.

Chuan said the reports should not be taken for granted and "agencies concerned should take proper precautions." The prime minister also said police needed adequate evidence before they could arrest anybody in connection with terrorist attacks. Police chief Sawat Amonwiwat said the police have always been on alert.

"We are not sure whether it is just mere threat. But our duty is to ensure public safety and we have been carrying out strict security measures at major government and public places," Pol Gen Sawat said." [passage omitted]

Malaysia Disagrees With Plan for Border

*BK1510020593 Bangkok BANGKOK POST in English
15 Oct 93 p 1*

[Text] Supreme Commander ACM Woranat Aphichari said yesterday Malaysia disagreed with Thailand's proposal to amend the two countries' border treaty calling for joint military cooperation to suppress all forms of terrorism along the common border, saying the problem was a Thai internal affair and Malaysia cannot interfere.

"Malaysia has considered that terrorism which has taken place is our internal affairs and it could not interfere. However, Malaysia has pledged that it will not allow these terrorists to use Malaysian territory as its sanctuary or use it as a base to launch terrorist activities on Thailand," said the 59-year-old supreme commander.

ACM Woranat said Malaysian Supreme Commander Gen Tan Sri Dato Seri Abdulrahman has also given assurance that "Malaysia would help apprehend these suspected terrorists and send them back to Thai authorities should they still continue to use Malaysian territory to terrorise our country."

The supreme commander said he was satisfied with the Malaysian response to Thailand's proposal aimed at amending the border treaty to make "all forms of terrorism along the common border" the "common enemy" of both countries so that both countries could militarily cooperate in a drive to tackle the problem.

During the past several years, Thailand had unofficially raised the terrorism issue for discussion with Malaysia, hoping Malaysia would agree to amend the treaty.

"Denying them (terrorists) use of Malaysian territory as a base or sanctuary and its pledge to apprehend and send them to us should be acceptable. It is a nice posture for a good neighbour. There is no need to pressure them (Malaysia) to accept the problem as a 'common enemy'. This should be enough," said the supreme commander.

Under the present border treaty in force since 1965, both countries have considered "communists" (from the now dissolved Communist Party of Malaya) their "common

enemy". The communist threat has disappeared, though, since all former communists had given up armed struggle by late 1989.

ACM Woranat said the end to the communist threat made amendment of the border treaty inevitable. He said Thailand proposed to Malaysia replacing the word "communists" with "terrorist movement". Malaysia rebuffed the idea.

"This is a sensitive issue for Malaysia, as it might politically backfire if they agree to our request (to suppress terrorists who are Muslims)," observed an Army general. "One should not doubt Malaysian sincerity towards us over the issue," said the general who described the outcome of yesterday's meeting as a compromise solution.

The supreme commander said Malaysia also urged amendment of the treaty to emphasise a crackdown by both countries on all illegal trade along the border area, including smuggled goods and weaponry.

A General Border Committee supervising border cooperation also would be empowered to tackle the problem of dual nationality. Some people along the border area possess ID cards from both countries.

ACM Woranat said what had been achieved during yesterday's high-level discussion would be forwarded for final approval and official ratification during the next General Border Committee meeting, to be held in Bangkok next year. The second high-level meeting would be held in Malaysia soon to scrutinise the amended treaty's final draft, before it is sent to next border committee meeting, he said.

Intellectual Property Group Members Visit Ministry

*BK0910062793 Bangkok BANGKOK POST in English
9 Oct 93 p 20*

[Text] REPRESENTATIVES from the International Intellectual Property Alliance visited the Commerce Ministry yesterday to discuss progress made by the Thai government on intellectual property protection.

Led by Eric Smith, executive director and general counsel to the Alliance, the delegation included executives from the Motion Picture Export Association of America, the International Federation of Phonographic Industries, the Business Software Alliance and U.S. book publishers.

Deputy Commerce Minister Churin Laksanawisit said the delegation was especially interested in moves made by the Thai government to protect computer software since Thailand had been removed from the U.S. government's Priority Foreign Country list last month. Washington lifted the threat of trade sanctions in part because of a Thai crackdown on violators of intellectual property.

Mr Churin said that suppressing computer software piracy was not easy as the problem is a relatively new one in Thailand.

"It's difficult to clarify which software products are fake, and assistance from the U.S. side is needed. However, more officials from the appropriate agencies will be added to continue suppression."

Mr Churin also told the delegation that second reading of the country's Copyright Act is under consideration in Parliament.

Minister Denies Asking PLO To Fund Party

BK1310141693 Bangkok Radio Thailand Network in Thai 1200 GMT 13 Oct 93

[Text] Foreign Minister Squadron Leader Prasong Sun-siri said he paid no interest to the charge that he requested funding from the Palestine Liberation Organization, or PLO, for his Phalang Tham Party. Speaking to reporters, Prasong said he has already got his lawyer to check whether the charge constituted defamation. He said Thailand stands to benefit from its association with the PLO since that means more friends for Thailand. Asked if the opening of a PLO office in Thailand would lead to sabotage attempts here, the foreign minister said the matter would be studied. Concerning a report saying certain military leaders are not happy with the development, he said that is the matter of individuals. He said soldiers are more democratic now and they uphold the government's policy. The PLO has offices in ASEAN countries, and it is recognized by the United Nations. The move taken by Thailand is within the framework of the United Nations.

Trade Deficits Recorded With Japan, EC

BK0910095093 Bangkok SIAM POST in Thai 9 Oct 93 p 18

[Text] The Business Economics Department reported that the total value of Thailand's foreign trade in the first six months of this year was 990 billion baht, an increase of 11 percent compared to the same period last year. Japan topped the list of Thailand's major trading partners with trade worth 244 billion baht. This represents a 14-percent increase. During that period, Thailand's exported 71.2 billion baht in goods, an increase of two percent, and imported 173 million baht worth of Japanese products, an increase of 20 percent. Thailand therefore suffered a trade deficit of 102 billion baht. This is a 37-percent increase.

Second on the list is the EC with trade worth 162 billion baht. This is a nine percent increase over that of the same period last year. Thailand exported 77 billion baht worth of goods to the EC, and imported 85.1 billion, an increase of 16 percent. As a result, Thailand suffered a trade deficit of 8.1 billion baht compared with a 1.3 billion trade surplus it gained from EC trade in the first six months of 1992.

Vietnam

Party General Secretary Leaves for Thailand

BK1510061393 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 15 Oct 93

[Text] At the invitation of His Excellency Chuan Lik-phai, on 15 October General Secretary Do Muoi left for an official visit to Thailand.

The comrade general secretary is accompanied by Comrade Le Phuoc Tho, member of the party Central Committee Political Bureau, and head of the party Central Committee Organizational Department; Hong Ha, secretary of the party Central Committee and head of the party Central Committee Foreign Relations Department; Tran Duc Luong, deputy prime minister; Nguyen Manh Cam, foreign minister; Phan Vien, director of the office of the party Central Committee; Ha Nghiep, assistant to the general secretary; and Le Cong Phung, Vietnamese ambassador to the Kingdom of Thailand.

At 0900 on 15 October, a special plane carrying the comrade general secretary and his entourage landed at Don Muang airport in Bangkok.

Arrives in Bangkok

BK1510073393 Hanoi VNA in English 0641 GMT 15 Oct 93

[Text] Hanoi VNA October 15—General Secretary Do Muoi of the Communist Party of Vietnam arrived at Don Muang airport, Bangkok this morning for a four-day official visit to the Kingdom of Thailand.

General Secretary Do Muoi was accompanied by Le Phuoc Tho, Politburo member, and head of the Commission for Organisation and Personnel of the Party Central Committee Hong Ha, secretary of the party Central Committee and head of the External Relations Commission Tran Duc Luong, member of the Central Committee and Foreign Minister Phan Dien, head of the office of the party Central Committee.

The secretary general's agenda includes talks with his host Prime Minister Chuan Likphai, a courtesy visit to King Phumiphon Adunyadet, and a tour of enterprises in Songkhla and Chiang Mai.

Politically, relations between Vietnam and Thailand have improved considerably through the exchange of many high level visits, notably those by Thai Crown Prince Vajiralongkorn and Thai Princess Sirindhorn, which removed some of the old mistrust while increasing mutual understanding.

Economic relations, however are a little behind. In terms of investment, Thailand ranks 12th among the foreign investors, after Russia and all its 41 licensed joint venture projects are medium or small in size, with a combined capital of 134 million US dollars. Vietnam and Thailand have signed an agreement on trade and on

economic and technological cooperation (1978), an agreement on air transport (1978), an agreement on the establishment of a joint commission for economic and technological cooperation (1991), an agreement on investment guarantee (1992), and agreement on avoidance of double taxation (1992), and an agreement for a Thai credit grant worth baht 150 million.

The two countries are negotiating for various agreements on fisheries, posts and telecommunications, cultural cooperation and cooperation in tourism.

Do Muoi Explains Economic Changes

*BK1510151193 Hanoi VNA in English 1429 GMT
15 Oct 93*

[Text] Hanoi VNA Oct. 15—General Secretary of the Communist Party of Vietnam Do Muoi and his party attended a luncheon with Thai business people today.

The Vietnamese party leader arrived in Bangkok earlier this morning for a four-day official visit. He was welcomed at a solemn official ceremony at the prime minister's palace presided by his host Prime Minister Chuan Likphai. After that he inspected the guard of honour of the Thai Armed Forces together with the Thai prime minister and put his signature in the book of honour of the Thai prime minister's palace.

Speaking on behalf of Thai business people, Som Chatusichatak, president of Thai Bankers' Association, expressed firm belief that the Vietnamese party leaders' visit would contribute to promoting mutual understanding and mutual cooperation in economics, science and technology on the basis of mutual respect and benefit.

General Secretary Do Muoi expressed thanks to Thai business people and said:

I wish to affirm to you once more that Vietnam is renewing itself and will persistently continue its renewal, that it is shifting onto a market economy, one with state macro-management, and that it is pursuing an open, diversified, multilateralized foreign policy, including in foreign economic relations, on the basis of respect for independence, sovereignty, non-interference in each other's internal affairs, equality and mutual benefit.

Vietnam attaches high importance to its multi-faceted cooperation with Thailand. Although our bilateral economic-commercial relations have been strengthened over the past period, they are yet to match the two countries' potentials. Thai business people's presence in Vietnam is still small compared with that from other ASEAN countries.

Vietnam is striving to make it favourable for foreign businesses to come to cooperate and invest. We have promulgated laws and policies on investment to create a favourable environment for foreign investors to come and do business in Vietnam. Vietnam and Thailand have

signed a number of agreements, including agreements on investment promotion and protection, and on non-double taxation.

This afternoon, he met with representatives of overseas Vietnamese community in Thailand and visited the former Royal Palace.

Also this afternoon, Foreign Minister Nguyen Manh Cam who accompanies the party leader had a working session with his Thai counterpart Prasong Sunsiri.

The two sides exchanged views on measures to enforce agreements reached between party General Secretary Do Muoi and Prime Minister Chuan Likphai with a view to developing the multi-sided cooperative relations between the two countries.

Radio Previews Do Muoi's Thai Visit, Ties

*BK1410135193 Hanoi Voice of Vietnam in English
1000 GMT 14 Oct 93*

[Station commentary]

[Text] Thailand has agreed to the setting up of a Vietnamese consular office in Khon Kaen Province in north-eastern Thailand. Party General Secretary Do Muoi will soon pay an official visit to Thailand. These are continued developments in the relations between Vietnam and Thailand. Our radio editor has this to say:

Following the visits to Vietnam by the Thai Crown Prince and Princess at the end of last year and early this year, bilateral relations have rapidly developed. Vietnam and Thailand have exchanged a number of visits by Government, National Assembly, Army, justice officials, and representatives of mass organizations.

In the economic arena, Vietnam and Thailand have signed 10 agreements, including avoidance of double taxation and investment protection. Two-way trade turnover has increased from 60 million dollars in 1990 to 158 million dollars last year. So far, 30 Thai investment projects worth about 120 million dollars have been granted licenses by Vietnam. These projects cover many areas ranging from agriculture, mining, precious stones, and construction to commodity production. Thailand has in the 1991-92 fiscal year granted an 800,000-dollar aid to Vietnam in economic and technological fields. In education, agriculture, and health, Thailand has developed a three-year aid project for Vietnam from 1993 to 1995. Thailand recently granted a six-million-dollar credit line to Vietnam to purchase goods and services from Thailand this year. Now Vietnam is seeking a four-million-dollar credit to carry out the project of upgrading Highway No. 1.

The two countries are seeking ways to settle issues such as fishing in territorial waters through peaceful negotiations. The relations between Vietnam and Thailand and other Southeast Asian countries are rapidly developing. This year, there have been many positive developments.

International observers say 1993 is the year of development of Vietnam-Thailand relations.

Soon Mr. Do Muoi will visit Thailand. It will be an important event and the Thai ambassador to Hanoi said Thailand had made careful preparations for the success of the visit.

Civil Aviation Body's Statement on Thailand

*BK1410150793 Hanoi VNA in English 1456 GMT
14 Oct 93*

[Text] Hanoi VNA Oct. 14—As regards the statement by the Thai Aeronautical Radio director carried on the BANGKOK POST on October 10, 1993 concerning the deferral of the transfer of the southern portion of the Ho Chi Minh Flight Information Region (FIR), the Civil Aviation Administration of Vietnam is authorized to declare as follows :

1. The above said statement is contrary to the recommendation of the Third Asia/Pacific Regional Air Navigation (RAN-3) meeting held in Bangkok, 18 April-9 May, 1993. Recommendation 5/3 of The Asia/Pacific/3 RAN meeting clearly stated that the time had now come to discontinue the current contingency arrangements and to reactivate the Ho Chi Minh FIR, and 'the responsibility for the provision of air traffic services in the southern portion of the Ho Chi Minh FIR, currently covered by the areas of responsibility (AOR) of Bangkok and Singapore should be assumed by Vietnam within approximately one year from the approval of this recommendation by the ICAO [International Civil Aviation Organization] Council'.

2. The discussion on the northern boundary of the Ho Chi Minh FIR has been going on within the framework of the special working group established at the 3 RAN meeting. During this discussion, the Vietnamese side has always shown its goodwill. This has no linkage to the transfer to Vietnam of the southern portion of Ho Chi Minh FIR after the approval by the ICAO Council.

3. Any deliberate delay of the transfer of the responsibility for provision of air services antipathetic to the decision of ICAO may damage the aviation relations and co-operation in the region and in particular between Vietnam and Thailand. The Vietnamese side earnestly hopes that this will not happen.

New Waves of Boat People to Japan Reported

BK1410145993 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 14 Oct 93

[Station correspondent's report on return of boat people from refugee camps in Japan; date not given]

[Text] Dear friends: Some people from Haiphong and Quang Ninh, induced by incorrect information, have recently escaped illegally to Japan. According to statistics of the United Nations High Commission for Refugees [UNHCR] in Tokyo, from the beginning of 1993 to

5 October 1993, a total of 18 boats ferrying about 600 people from Haiphong and Quang Ninh and landed illegally in Japan. Many of the passengers were women and children.

The reality is that many illegal immigrants have been deported by Japanese authorities. For the people living in refugee camps either in Hong Kong, in South-East Asian countries, or in Japan, there is no other way than to return to their fatherland.

[Begin recording] [Correspondent] This flight is sponsored by the UNHCR to carry boat people from Japan to Vietnam. These flights have been organized regularly after the first one in February 1989 which carried Vietnamese boat people home from Hong Kong. During 1988, 1989, and 1990, Haiphong and Quang Ninh were the provinces in the north with the largest numbers of boat people who escaped illegally. Now the two provinces are also the largest recipients of returnees. Most of the returnees have resettled relatively well and obtained employment. But at a time when the boat people issue is considered to have ended, recently some from Haiphong and Quang Ninh have again secretly collected money and gold to build boats to go to Japan. Most recently, on 5 October, a boat with 27 people on board; 13 men, 7 women, 3 boys, and 4 girls, left Quang Ninh for Japan.

They have been arrested by the Haiphong police while on their way to Japan. Some of them had escaped before to Hong Kong and had been allowed to return home voluntarily. They had also received allowances from UNHCR and credits from the EC to start their own business or agricultural production. Now out of blind greed, they have again secretly left the country. These people are now awaiting legal prosecution.

UNHCR in Vietnam has, on one hand, continued to give allowances to returnees from refugee camps. On the other hand, they have declared that allowances for those returning after 27 September 1991 would be cut. The UNHCR representative in Vietnam, Mr. Carpenter, affirmed:

[Carpenter, in English, fading into Vietnamese translation] I have lived and worked in Japan for many years, and I can say that all those rumors are absolutely unfounded. In the past four years, the Japanese Government has always been very strict with their migration regulations. Everyone who enters Japan illegally will have to go back. Two weeks ago, over 100 people had to return to Vietnam. The Japanese Government will not give allowances to either Vietnamese refugees or returnees.

I can only say that whoever still thinks about leaving Vietnam for Japan, or still listens to rumors that a lot of money can be made there and that they will be allowed to migrate, to think again and not to believe these unfounded rumors.

[Correspondent] To shed more light on the issue, we have also interviewed the Japanese ambassador in Vietnam. [end recording]

[Japanese ambassador in English fading into Vietnamese translation] Actually I am very surprised to hear rumors that Vietnamese boat people landing in Japan will be allowed to migrate to whatever country they like, and if they choose to return, they would be given \$2,000. This is totally untrue. I feel very sorry for those who believe in these rumors. They may risk their money and lives as well. I urge you not to go. At present, the Japanese Government fully supports the Vietnamese Government in their efforts to reconstruct the country and carry out the renovation policy. I sincerely hope every Vietnamese citizen would take part in the construction of your country, and you can build and enjoy a better life in Vietnam.

[Correspondent] To counter those rumors, the people's committees of Haiphong City and Quang Ninh Province, and the two police offices, have carried out active measures to stop people from escaping illegally, and to make all citizens understand that it is now time for everyone to show responsibility and respect for the nation's honor, and that there is no other way than laboring and building our lives in our own country. [end recording]

Japanese Trade Organization Opens Hanoi Office

*BK1510073793 Hanoi VNA in English 0635 GMT
15 Oct 93*

[Text] Hanoi VNA Oct. 15—The Japan-External Trade Organization (JETRO) opened its representative office in Hanoi on Oct. 13, the 78th Jetro representative office in the world.

On this occasion, Jetro President G. Suzuki gave a reception on Oct. 14. Among his Vietnamese guests were vice-chairman of the State Planning Committee Vo Hong Phuc, Trade Deputy Minister Ngo Van Tuyen, and Vice-President of the Vietnam Chamber of Commerce and Industry (VCCI) Doan Ngoc Le, Japanese Ambassador to Vietnam H. Yushita was also present.

Also on this occasion, JETRO in collaboration with VCCI has held a meeting for Vietnamese offices concerned, introducing procedures to trade with Japan, and proposal to promote trade ties between businessmen of the two countries.

Scientists Discuss Cooperation With Japan

*BK1410082593 Hanoi VNA in English 0631 GMT
14 Oct 93*

[Text] Hanoi VNA Oct 14—A seminar on Vietnam-Japan economic cooperation was held in Hanoi on October 12 and 13 on the occasion of the 20th anniversary of the establishment of the diplomatic relations between Vietnam and Japan.

The seminar was co-chaired by the Pacific-Asian Economic Centre, the World Institute for Development Economic Research (WIDER) and the Japanese Embassy.

More than 50 Vietnamese and Japanese scientists discussed on Japan's experience in economic development applicable to Vietnam, role of Japanese economy in the region, and prospects of economic cooperation between Vietnam and Japan.

The participants noted that the Vietnam-Japan relations are developing fruitfully, thus creating new prospects for bigger bilateral economic cooperation for the interest of the two peoples.

Japanese Ambassador Hiroyuki Yushita was also present at the seminar.

Finnish Parliamentary Delegation Visits

Nguyen Ha Phan Receives Group

*BK1310143193 Hanoi VNA in English 1425 GMT
13 Oct 93*

[Text] Hanoi VNA Oct. 13—Vice Chairman of the National Assembly Nguyen Ha Phan received here this morning the visiting delegation of the Parliamentary Commission for Economic Affairs of Finland led by Mrs Bjorkenheim Hildegard Rose-Marie, M.P., deputy head of the commission.

The Vietnamese vice-chairman welcomed the delegation's first visit to Vietnam which is pursuing the outward-looking foreign policy, carrying out economic reform, and international cooperation and encouraging foreign investment. He expressed sincere thanks to the Finnish Government and people for their great and valuable assistance to Vietnam, and his hope that cooperation between Vietnam and Finland in forestry and exploitation of aquatic products, mineral resources and oil, engineering and electronics would further develop.

Mrs Bjorkenheim Hildegard Rose-Marie expressed her joy to see with her own eyes changes in Vietnam in the renovation process. She said that the visit would contribute to promoting the friendship and cooperation between the two countries.

The Finnish delegation visited a number of economic establishments built with Finland's assistance.

Nong Duc Manh Meets Delegation

*BK1410152793 Hanoi VNA in English 1434 GMT
14 Oct 93*

[Text] Hanoi VNA Oct. 14—A delegation of the National Assembly of Vietnam led by its Chairman Nong Duc Manh paid an official friendship visit to Finland from October 10-13 at the invitation of Jukka Souminen, speaker of the parliament of Finland.

Chairman Nong Duc Manh was accompanied by Hoang Bich Son, member of the NA [National Assembly] Standing Committee, and head of the Commission for External Relations Vu Mao, member of the NA Standing Committee and head of the NA's office, and other NA deputies.

While in Finland, the delegation met and exchanged views with Speaker Jlkka Souminen, Deputy Speakers Mikko Pesala and Srare Maria Paakkinen, Prime Minister Esko Aho, Minister of Trade and Industry [title as received] Seppo and other members of the parliament.

The Vietnamese delegation also made contacts with Finnish businessmen, called at some economic and cultural establishments in Helsinki and Javakyla.

During the meetings, the delegation informed the Finnish statesmen and friends of Vietnam's initial achievements in the renovation cause and affirmed that Vietnam has always followed her external policy of peace, friendship and mutual respect and that Vietnam wants to be friend of all countries in the international community, striving for peace, independence and development. Chairman Nong Duc Manh expressed the Vietnamese people's sincere thanks to the parliament, government and people of Finland for their friendship, solidarity and generous assistance to the Vietnamese people's national construction and defence now as before.

He stressed that the Vietnamese National Assembly and government would do their best to effectively implement the agreements on economic, cultural, scientific and technical cooperation between the two countries, thus contributing to the consolidation and development of the traditional friendship and solidarity between the two peoples.

Leaders of the Finnish Parliament and government warmly welcomed the Vietnamese N.A. delegation's visit to Finland as an important political event, which marks a new step of development in the relations between the two countries. They stressed that Finland and Vietnam have favourable conditions for the strengthening of the relations of friendship and cooperation in the interests of the two peoples and for peace, security and international cooperation. They noted that with the achievements recorded in the current renovation process Vietnam is an important partner of Finland in Asia and said that Finnish businessmen are interested in the Vietnamese market. Finland, they said, would continue to give its necessary assistance to Vietnam and develop its multi-sided cooperation with Vietnam.

Chairman Nong Duc Manh, on behalf of the Vietnamese National Assembly, invited the Finnish speaker to visit Vietnam in the coming time. Speaker Jlkka Souminen accepted the invitation with pleasure.

Radio Cooperation Accord Signed With PRC

*BK1410152193 Hanoi VNA in English 1445 GMT
14 Oct 93*

[Text] Hanoi VNA Oct. 14—A delegation of radio the Voice of Vietnam led by its General Director Phan Quang, who is also secretary general of the Vietnam Journalists' Association paid a working visit to China from Oct. 5-13.

While in China, the Vietnamese delegation had working sessions with Lui Hsiliang, deputy minister of Radio (Home Service), film and television and other leaders of the Beijing radio and the Beijing radio (overseas service). The two sides came to an agreement on measures aimed at promoting and expanding the cooperation between the two institutions.

Mr. Phan Quang also had working sessions with a delegation of the Chinese Journalists' Association led by its Chairman Wu Lenghsi. The delegation also called at some radio technical services and cultural and economic establishments in Beijing, Shanghai and Quangzhou.

Khmer Rouge Accused of 'Slandorous Allegations'

*BK1210070193 Hanoi Voice of Vietnam in English
1000 GMT 11 Oct 93*

[Station commentary]

[Text] Cambodian Deputy Minister of Information [as heard] Mr. Ek Sareivut said that the Khmer Rouge are preparing for new attacks in the coming dry season. Meanwhile, the Khmer Rouge have made many slanderous allegations against the Cambodian Government, the United Nations, and Hanoi. Here is our radio editor's opinion:

After Khmer Rouge leader Mr. Khieu Samphan met with King Sihanouk and recognized the Cambodian Institution and the monarchy in this country, it was hoped that this action would change attitudes to, together with the Cambodian Government, starting the national reconstruction. However, that hope has been short-lived. Right after their meeting with King Sihanouk, the Khmer Rouge have intensified their military activities, blowing up two bridges on Highway 5. They are transporting weapons in the Provinces of Battambang, Siem Reap, Kompong Thom. According to the minister of information, Mr. Ek Sareivut, the Khmer Rouge are likely to hold the exploitation of wood and precious stones in western Cambodia to send their troops to the battlefields in case the coming roundtable talks between the government and themselves come to a failure.

In addition, the Khmer Rouge have recently slandered against the Cambodian Government, the UN, and Vietnam. They said: Now the Cambodian Government is still controlled by the Vietnamese. They even blamed the UN for refusing to verify foreign armies in Cambodia; therefore, now many foreign troops still remain in the country. These allegations have been rejected by the

Cambodian Government and the United Nations. In their letter sent to Khieu Samphan last week, Cambodian First and Second Prime Ministers Messrs. Ranariddh and Hun Sen fully rejected the Khmer Rouge's charge that the Cambodian Government is now manipulated by Vietnam.

Obviously, with these allegations, the Khmer Rouge hope to sidetrack public opinion from their military activities. However, the Cambodian people and the world public have fully understood their aggressive and brutal nature. The Cambodian Government has been aware that so long as the Khmer Rouge do not cease their military activities, peace in Cambodia is still in danger; and now the Cambodian Government has prepared political and diplomatic measures against the adventurous activities of the Khmer Rouge and it does not rule out military attacks to foil all their schemes and activities. These are necessary measures to bring peace and stability to the Cambodian country and people.

Vu Oanh Attends Journal's Anniversary Ceremony

BK1110141193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 10 Oct 93

[Text] This morning, 10 October, at the Hanoi municipal opera house, the journal HOA HOC TRO [STUDENT FLOWER]—an educational journal for teenagers of the Ho Chi Minh Communist Youth Union [HCYU] Central Committee—held a ceremony to mark its founding anniversary. Attending the ceremony were Comrade Vu Oanh, member of the Political Bureau and secretary of the Central Committee; Comrade Tran Hoa, minister of culture and information; Comrade Vu Trong Kim, secretary of the HCYU Central Committee; and many other comrade leaders of various organs and sectors at the central level and in Hanoi.

On behalf of the editorial staff, Comrade Nguyen Phong Doanh, editor-in-chief of HOA HOC TRO, read a report on its work during the past two years. For only two years, HOA HOC TRO has created for itself an appropriate, loving, romantic, and magnanimous style. The journal writes for teenagers and about teenagers. It also encourages teenagers to write about those in their age group, as well as their schools and country. As a result, articles written by teenagers cover 75-80 percent of the journal's pages.

HOA HOC TRO has constituted an exciting atmosphere in the spiritual life of those in an age group that should be fostered with care and should have an official journal of its own. The journal has now become a traveling companion for students throughout the country and is welcomed by their teachers and parents. The number of copies of each issue of the journal has now increased to 70,000-80,000.

The ceremony ended with a cultural and artistic program presented by students in Hanoi.

Doan Khue Attends Cadre Training Conference

BK1110112793 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 10 Oct 93

[Text] In Ho Chi Minh City recently, the Vietnam People's Army Political General Department successfully organized a conference on training all-Army cadres. General Doan Khue, member of the Central Committee Political Bureau, deputy secretary of the Central Committee's Military Commission, and minister of national defense, addressed the conference.

Speaking at the opening session, Senior Lieutenant General Le Kha Phieu, secretary of the Central Committee and head of the Central Committee's Military Commission, clearly pointed out the significance of the conference and stressed the importance in training and fostering cadres for the Army.

After briefing the conference on the current situation at home and abroad, Gen. Doan Khue stressed the necessity to train cadres, build the party, and enhance the combativeness of our Armed Forces. He urged all cadres to strive to effectively carry out the national security and defense tasks set by resolutions of the seventh party congress and Central Committee plenums. Gen. Doan Khue also stressed the long-term and immediate tasks of our Armed Forces and called for efforts to renovate the cadre-related work. Gen. Doan Khue also urged party committees and Army cadres to seriously implement the seven-point guideline set by the Army to satisfactorily carry out the task.

The defense minister asked various sectors and agencies concerned, especially political agencies, to satisfactorily carry out their staff functions, improve cadre-related work, assign only competent and honest cadres to key posts, and replace those who are incompetent.

Economic Achievements Termed 'Considerable'

BK1410154593 Hanoi VNA in English 1425 GMT 14 Oct 93

[Text] Hanoi VNA Oct. 14.—'Hanoi has made considerable achievements in its four main external economic activities namely foreign investment, export and import, foreign assistance and tourism', said Mr Dinh Hanh, vice mayor of the city.

Speaking at a conference on external economic activities in Hanoi held recently, Mr Hanh said 108 investment projects with a total capital of more than 780 million US dollars were licensed. Thirty-nine percent of these projects are involved in industrial production, and 35 percent in hotel and tourist services.

Export value of the locally-run units are expected at [figures indistinct] million US dollars in 1993. Import activities have been conducted in the way to boost export capacity.

In the first half of this year, Hanoi received seven million US dollars as foreign aid equivalent to the total aid of last year.

Regarding tourism, a number of new hotels have been put into operation while many others upgraded.

According to Mr. Hanh in the 1994-95 period, the city will call for more investment into industrial production and food processing. It will also continue to invest in building hotels and offices for lease to foreign representation and increase the export of garments, footwear and arts and crafts.

Hanoi Team Reviews Timber Exports at Qui Nhon

BK1410071793 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 13 Oct 93

[Text] Despite the fact that the prime minister has just issued another directive governing control over the exploitation, processing, and export of timber, the illegal export of timber continues to take place in a very complex fashion at the Qui Nhon port in Binh Dinh Province.

On 6 October the prime minister formed an interministerial control team—made up of officials from the Ministries of Forestry and Trade, Customs Department, and some other relevant agencies and led by Minister Nguyen Quang Ha—and sent it to inspect the situation of illegal timber exports at Qui Nhon.

The team conducted on-site inspections and met with various authorities of the local administration. It is urgently looking into and taking legal actions against irregularities.

It is regrettable that at a time when the team was performing its duty, the operators of the Song Hieu-Quang Tri freighter deliberately loaded 265 cubic meters of logs onto the ship, which was moored at the Thi Dai pier.

In Qui Nhon city, there are at least 61 timber processing establishments, of which only 20 are reported to have work permits.

It is reported that the Qui Nhon port is the site for exporting timber site from nine provinces in central Vietnam and the Central Highlands. The quantities of timber still in stock—not including the timber belonging to the two neighboring countries [not further identified] and transiting Vietnam—after being inspected at some places, including some private establishments in Qui Nhon City, now total some 6,000 cubic meters. Of this, only some 1,000 cubic meters of processed timber meet the prescribed export standard.

Summer-Fall Rice Harvest in Nam Bo Region

BK1310100593 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 12 Oct 93

[Essay by Dang Xuan Mai]

[Summary] "Almost all the provinces in the Nam Bo region obtained good results in the recent summer-fall crop. They either attained or exceeded their planned targets for acreage, output, and yield." In rice production alone, "these provinces succeeded in transplanting summer-fall rice onto more than 1.18 million hectares, exceeding the planned target of 1.17 million hectares. This was one of the largest summer-fall rice crops in terms of acres sown."

This is due to the great efforts of various localities and peasants in the Nam Bo region during the recent summer-fall crop. "At the beginning of the crop, the weather was unfavorable, because the late arrival of rain resulted in widespread drought. Moreover, various Mekong Delta provinces—such as Long An, Soc Trang, Tra Vinh, and Minh Hai—suffered from heavy infiltration of salt water, resulting in the destruction of over 1,000 hectares of newly-transplanted rice seedlings."

It is estimated that "the average rice output of eastern Nam Bo provinces was 30 quintals per hectare, and that of Mekong River Delta provinces was between 37 and 38 quintals per hectare, except for the six provinces of An Giang, Tien Giang, Vinh Long, Soc Trang, Can Tho, and Minh Hai, which attained over 40 quintals per hectare."

Oct TAP CHI QUOC PHONG TOAN DAN Reviewed

BK1110133593 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 10 Oct 93

[Summary] Following are the primary features of the October 1993 issue of TAP CHI QUOC PHONG TOAN DAN.

The journal begins with a speech by Senior Lieutenant General Dao Dinh Luyen at the recent all-army conference on building comprehensively strong army units, titled: "Building Comprehensively Strong and Firm Army Units During the Past Four Years: Results Experiences, and Orientations for the Days Ahead."

Next, the journal carries a series of articles on the recent congress of the Confederation of Vietnamese Workers, which include:

- Article by Nguyen Van Tu titled: "Reality of the Vietnamese Workers Class and Issues Related to the Confederation of Vietnamese Workers."
- Article by Senior Lieutenant General Nguyen Nam Khanh titled: "Worker Mobilization Task and National Defense Trade Union's Activities."

—Article by Lieutenant General Tran Chac titled: "Some Issues Related to the Party Building and Political Tasks at Defense Industrial Establishments of the Logistics General Department."

Found in the "Special Discussion" section is an article by Major General Vu Viet Hong titled: "The Central Committee's Fifth Plenum Resolution and the Building of All-People National Defense in the Mountain Region."

In the "Transition to Socialism in Vietnam" section, the journal carries:

- Article by Lieutenant General Tran Xuan Truong titled: "Law on the Transition Toward Socialism in Vietnam."
- Article by Comrade Nong Hong Thai titled: "Firmly Maintain the Socialist Orientations and Gradually Build Firm and Strong Cao Bang Province to Firmly Protect the Fatherland's Border."

Next, in the "New Concept in National Defense" section, the journal carries the following:

- Article by Lieutenant General Dam Van Nguy titled: "State National Defense Management of Military Regions."
- Article by Lieutenant Colonel Luong Xuan Ba titled: "Building the Militia and Self-Defense Forces in the Multisectoral Economic Conditions."

In its "Building a Regular Army" section, the journal carries:

- Article by Colonel Phan Hai Tan titled: "Modernize and Standardize the Army to Enhance Military Training Quality."
- Article by Lawyer Colonel Le Duc Tiet titled: "Law and Discipline in the Army."

Found in the "Exchange of Views" section are the following:

- Article by Major General Nguyen Huy Hieu titled: "Strengthen the Tradition of Swift Victory To Build Firm and Strong Army Corps."
- Article by Colonel Vu Xuan Sinh titled: "Some Ideas on the Renovation of Cadre-Related Work of the Quyet Thang Army Corps."
- Article by Colonel Do Trung Duong titled: "Some Experiences Drawn From Military Exercise of the B-12 Group"
- Article by Colonel Nguyen Khac Nghien titled: "Building and Mobilizing the Reserved Forces at the Dong Bang Army Corps."

In the "Foreign Military Information" section, the journal carries two articles titled: "New Military Strategies of the Pentagon," and "The Economic War."

Australia

Minister Backs U.S. on Blair House Agreement

*BK1510024193 Melbourne Radio Australia in English
0100 GMT 15 Oct 93*

[Text] Australia has told the United States that it is completely behind Washington's position on the so-called Blair House agreement on cuts to farm subsidies. European correspondent, Majella Anning, reports that Australian Trade Minister Peter Cook gave the undertaking during talks with American trade negotiator Mickey Kantor and European Community trade negotiator Sir Leon Brittan.

[Begin recording] [Anning] Senator Cook said he was optimistic a GATT [General Agreement on Tariffs and Trade] deal freeing up world trade could still be concluded by the December 15 deadline, despite the fact that no progress was reported on farm trade issues after two days of talks between the EC and the U.S. in Brussels. He told both sides a GATT agreement had to be fair to all countries, not just the big trading blocs. He said the Cairns Group of trading nations was treating December 15 as final.

[Cook] We believe that the deadline of 15th of December is a genuine deadline. It is not a negotiable, moveable feast. It is a real end point. I think in the heightened urgency that such a deadline imposes, we can resolve a round whose conclusion has eluded us for seven years. [end recording]

Help With Defense Training Offered to Cambodia

*BK1110053893 Melbourne Radio Australia in English
0500 GMT 11 Oct 93*

[Text] Australia has offered to send help to Cambodia. The offer was made during talks in Canberra between Australia's foreign minister, Gareth Evans and Cambodia's foreign minister, Prince Norodom Sirivut. Senator Evans said Australia was ready to help Cambodia with defense training and expertise in three areas. He said these were the development of a national defense communications plan, assistance for the Cambodian Navy, and removal of land mines, of which there are still huge numbers in Cambodia.

Prince Sirivut said Cambodia had an agreement with France to help with defense but wanted to broaden links with other English-speaking countries. The Prince also had talks with Australia's development cooperation minister, Gordon Bilney, on Australia's \$60 million aid program to Cambodia.

Indonesian Warships Arrive on Courtesy Visit

*BK1010082693 Melbourne Radio Australia in English
0500 GMT 10 Oct 93*

[Text] A fleet of three Indonesian warships begin a 16-day courtesy visit to Australia today. It's the first visit to Australia by Indonesian warships in 20 years. The ships—the destroyer, a corvette, and a tanker—under the command of Colonel Fritz A.C. Mantiri will berth at Cairns and Sydney during the visit. Crews aboard the ships will conduct exercises at Australian Navy facilities during the visit.

Work Starts on Over-the-Horizon Radar Network

*BK1310063693 Melbourne Radio Australia in English
0500 GMT 13 Oct 93*

[Text] A ceremony in South Australia has marked the start of work on the nerve center of Australia's \$1 billion [Australian dollars] over-the-horizon radar network.

Australia's defense minister, Robert Ray, formally started construction of the center outside Adelaide which will control the radar system. Senator Ray says when the project is fully operational in 1997, it will have sea and air radar coverage of 20 million square kilometers to the north of Australia. Graeme Dobell reports from the site of the network coordination center at the Edinburgh Airbase.

[Begin Dobell recording] Sen. Ray says Jindalee would play a pivotal role in protecting Australia's vast and vulnerable northern coastline. The defense minister said that as well as providing early warning of threats, the radar would help search and rescue operations, allow better cyclone tracking, and give the Weather Bureau information on the state of the sea. The Jindalee operational center near Adelaide will draw information from radar sites in Western Australia, the Northern Territory, and Queensland. The radar can see over the horizon by bouncing high frequency signals off the earth's atmosphere, enabling it to track planes and ships up to 3,000 kilometers away. [end recording]

French Polynesia

Pro-Independence New Caledonian President Visits

*BK1110094093 Hong Kong AFP in English 0933 GMT
11 Oct 93*

[Text] Papeete, Oct 10 (AFP)—Richard Kaloi, the pro-independence president of the French overseas territory of New Caledonia, currently on a five-day official visit here, will meet Monday with the leader of a French Polynesian independence party.

Kaloi, who is to meet Oscar Temaru, president of the Tavini Huiraatira party, is the first New Caledonian official in favor of independence to be officially received by the government of the French overseas territory of French Polynesia. French Polynesian President Gaston Floss said the visit was an important step towards establishing links between South Pacific territories and attaining greater economic independence away from Paris.

Kaloi arrived Friday to study the local hotel and fishing industries.

Vanuatu

China Grants Interest-Free Loan for Law Center

BK1210040193 Hong Kong AFP in English 0303 GMT 12 Oct 93

[Text] Port Vila, Oct 12 (AFP)—The Vanuatu government has signed a free-interest loan protocol with China for the building of a regional law center here, national radio said Tuesday. The funds provided under an agreement with the Chinese government are worth five hundred million vatu (around 4.1 million dollars). The funds will go toward building an educational law center which would become part of the Suva-based University of the South Pacific.

After the agreement was signed Monday between Vanuatu Prime Minister Maxime Carlot and newly-appointed Chinese Ambassador in Vanuatu Zhan Daode, the Vanuatu leader commented that the project would "benefit all nations of the Pacific."

Ruling Party Signs Agreement With NUP Faction

BK1110100893 Hong Kong AFP in English 0955 GMT 11 Oct 93

[Text] Port Vila, Oct 11 (AFP)—Vanuatu's ruling Union of Moderate Parties has signed a memorandum of understanding with a faction of four National United Party (NUP) MPs, paving the way for a new coalition, state radio said Monday. The faction is led by deputy prime minister Sethy Regenvanu. The deal provided the basis for a fresh coalition, the radio said.

The agreement followed NUP president Walter Lini's announcement in August he was withdrawing from the coalition the party formed with the Union of Moderate Parties (UMP) in 1991. The NUP split into two factions after Lini's statement. One, comprising six MPs led by Lini, holds a "centrist position" in parliament. The other, led by Regenvanu, includes two other ministers, Oneyn Tah, telecommunications and Edward Tabisari, health.

The Regenvanu faction pledged loyalty to the present coalition government. In retaliation, Lini expelled Tah and Tabisari and recommended the party's congress expel Regenvanu. Only the NUP congress next year had the power to expel members, Kalkot Mataskelekele, chief negotiator of the Regenvanu NUP faction, told AFP Monday. "People are tired of all these dismissals and splits."

President Serge Uohor of the UMP, which holds 21 seats in parliament, said the agreement signed Sunday would "protect both parties" and "ensure cooperation."